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BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CAL/EPA BUILDING
1001 I STREET
2ND FLOOR
BYRAN SHER AUDITORIUM
SACRAMENTO, CALIFORNIA

TUESDAY, NOVEMBER 13, 2007
10:30 A.M.

TIFFANY C. KRAFT, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 12277

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Ms. Margo Reid Brown, Chair

Mr. Wesley Chesbro

Mr. Jeffrey Danzinger

Ms. Rosalie Mul

Ms. Cheryl Peace

Mr. Gary Petersen

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Executive Director

Mr. Elliot Block, Staff Counsel

Mr. Michael Chen, Staff

Ms. Kristen Garner, Executive Assistant

Ms. Laurie Hanson, Film and Bag Federation of California,
Film Extruders and Converters

Mr. Howard Levenson, Deputy Director, Permitting and
Enforcement Division

Mr. Wes Mindermann, Supervisor, Solid Waste & Tire
Clean-up Programs

Mr. Trevor O'Shaughnessy, Supervisor, Jurisdiction,
Compliance and Audit Section

Mr. Ted Rauh, Program Director, Waste Compliance and
Mitigation Program

Mr. Todd Thalhamer, Staff

Mr. Clark Williams, Manager, Climate and Technical
Research Section

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APPEARANCES

ALSO PRESENT

Secretary Linda Adams, Cal/EPA

Mr. George Larson, America Chemistry Council and
Progressive Bag Alliance

Mr. Steve Lautze, California Association of RMDZs

Mr. Ralph Nelson, Ropack Packaging

Mr. Mike O'Grady, City of Cerritos

Chief Dennis Planje

Mr. Randy Pollack

Lieutenant Mike Roppolo

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1 PROCEEDINGS

2 CHAIRPERSON BROWN: Welcome to the November Board
3 meeting of the California Integrated Waste Management
4 Board. We are awaiting the arrival of Secretary Adams,
5 who is scheduled to be here this morning and begin or --
6 top of our agenda. So maybe with -- I believe she's on
7 her way down.

8 So why don't we go ahead, Kristen, and call the
9 roll.

10 EXECUTIVE ASSISTANT GARNER: Chesbro?

11 BOARD MEMBER CHESBRO: Here.

12 EXECUTIVE ASSISTANT GARNER: Danzinger?

13 BOARD MEMBER DANZINGER: Here.

14 EXECUTIVE ASSISTANT GARNER: Mulé?

15 BOARD MEMBER MULÉ: Here.

16 EXECUTIVE ASSISTANT GARNER: Peace?

17 BOARD MEMBER PEACE: Here.

18 EXECUTIVE ASSISTANT GARNER: Petersen?

19 BOARD MEMBER PETERSEN: Here.

20 EXECUTIVE ASSISTANT GARNER: Brown?

21 CHAIRPERSON BROWN: Here.

22 Any members have any ex partes to report?

23 Everybody is up to date.

24 We would like to announce that we will be going
25 into closed sessions at the conclusion of our regular

1 business today.

2 And I'd like to invite everybody to stand for the
3 Pledge of Allegiance.

4 (Thereupon the Pledge of Allegiance was recited
5 in unison.)

6 CHAIRPERSON BROWN: Now it's the song and dance
7 time.

8 Do want to announce that this week is California
9 Recycles Day. And as a reminder, this Thursday is
10 observance of California Recycles Day which is dedicated
11 to encouraging Californians to recycle and by recycled
12 content products.

13 This year, the Waste Board is participating by
14 helping the national effort and reach out to thousands of
15 California residents encouraging them to make an official
16 pledge to increase their efforts to reduce, reuse,
17 recycle, and buy recycled. So on behalf of the Board, we
18 invite everyone today to make your pledge on the pledge
19 banner that will be located in the lobby of this building.
20 And you'll be able to read more about the pledge at the
21 booth and in the lobby and of course by going to the
22 Board's website where this link will be available to make
23 the pledge.

24 In anticipation of Linda's eventual arrival, why
25 don't we skip over the special presentation and go

1 directly to our Executive Director's report.

2 EXECUTIVE DIRECTOR LEARY: I'd be happy to, Madam
3 Chair. Good morning and morning, members.

4 Couple items for today's Executive Director's
5 report. One on climate change and one on our new and
6 significant involvement in response to southern California
7 wild fires.

8 First by way of an update in regards to climate
9 change, as you know, we've been working to implement the
10 three Climate Action Team strategies related to meeting
11 the 50 percent diversion: Increased recycling and
12 landfill methane capture. We are in the process of moving
13 beyond these strategies. The Climate Action Team in
14 conjunction with the Air Board under AB 32 has formed a
15 series of sub-groups to investigate the next round of
16 greenhouse gas reduction strategies.

17 The CAT, Climate Action Team, will be holding a
18 public workshop on December 14th to discuss potential
19 strategies and receive public comment. These will not be
20 fully discussed in terms of greenhouse gas reduction
21 potentials or cost, but instead will be more descriptive
22 at that time. Ultimately, the Climate Action Time is
23 scheduled to decide by fall of 2008 which of these new
24 strategies will be implemented.

25 The Waste Compliance and Mitigation Program and

1 our sustainability Program have been involved in the
2 landfill sub-group chaired by Stephanie Young from the
3 Waste Compliance and Mitigation Program. The group is
4 charged with putting forth new strategies related to
5 integrated waste management, not just landfill related.
6 Staff will be bringing forth an agenda item at the
7 December Board meeting to describe those strategies, but I
8 wanted to give you a notice of these efforts today.

9 The Board's primary near or mid-term strategy
10 concerns evaluating the concept concerns evaluating the
11 concept and requiring commercial entities to implement
12 recycling programs. Longer term strategies include permit
13 streamlining, extended producer responsibility, and
14 optimization of organics diversion. We continue to be a
15 representative of these efforts with Stephanie Young,
16 Brenda Smith, John Blue, Scott Walker, and of course
17 Howard Levenson. I want to thank them for their continued
18 great work.

19 And in regards to southern California wild fires,
20 I'd like to provide the Board with a brief summary of our
21 activities. The success we had in this past summer's
22 Angora fire debris removal, which we'll soon be hearing
23 about, provided a model for most of the affected
24 jurisdictions in southern California and the over 2,000
25 homes destroyed as a result of the fire. Our staff have

1 been highly involved with the locals as they prepare and
2 implement similar debris removal plans at the local level.

3 We have played an integral part in training the
4 local cities and counties and implementing strategies and
5 continue to monitor and provide technical assistance and
6 support throughout the program.

7 Currently, we have worked directly with the
8 cities of San Diego and Escondido as well as the counties
9 of San Diego and San Bernardino. Ted Rauh acts as the
10 chair of the State's multi-agency task force, along with
11 OES and Cal/EPA.

12 And with that, Madam Chair, I conclude my report.
13 Questions?

14 CHAIRPERSON BROWN: Do you know where Linda is?

15 EXECUTIVE DIRECTOR LEARY: I'll tell you what. I
16 can go find out.

17 CHAIRPERSON BROWN: I don't think so. Does
18 anybody have any questions for Mark?

19 Well, considering our special presentation today
20 involves both the Secretary and some very special guests
21 and an acknowledgement to a great group of staff who has
22 worked diligently on fire recovery and debris removal in
23 the Angora area as well as starting to assist the southern
24 California, I'd like to start with our regular business
25 and go back to that and make apologies to our special

1 guests who are here that we with come back to you
2 hopefully in the next few minutes as soon as Secretary
3 Adams arrives.

4 Is there any public comment at this time? Okay.

5 Next I will begin to move to the agenda. Our
6 consent agenda items 1, 2, 3, 4, 9, and 14 have been put
7 on the consent agenda. Does anybody wish to pull any
8 items from consent? Can I have a motion?

9 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
10 the consent agenda.

11 CHAIRPERSON BROWN: Can I have a second?

12 BOARD MEMBER PEACE: Second.

13 CHAIRPERSON BROWN: It's been moved by Member
14 Mulé and seconded by Peace.

15 Kristen, call the roll.

16 EXECUTIVE ASSISTANT GARNER: Chesbro?

17 BOARD MEMBER CHESBRO: Aye.

18 EXECUTIVE ASSISTANT GARNER: Danzinger?

19 BOARD MEMBER DANZINGER: Aye.

20 EXECUTIVE ASSISTANT GARNER: Mulé?

21 BOARD MEMBER MULÉ: Aye.

22 EXECUTIVE ASSISTANT GARNER: Peace?

23 BOARD MEMBER PEACE: Aye.

24 EXECUTIVE ASSISTANT GARNER: Petersen?

25 BOARD MEMBER PETERSEN: Aye.

1 EXECUTIVE ASSISTANT GARNER: Brown?

2 CHAIRPERSON BROWN: Aye.

3 The consent agenda passes.

4 Items 12 revised and 13 revised on fiscal
5 consent.

6 Items 6, 10, 11, and 16 were held for Committee
7 consideration only.

8 Item 8 was pulled.

9 Items 5, 7, and 15 will be heard by the full
10 Board.

11 So we'll move next to the fiscal consent agenda.
12 I'd like to ask Committee Chair Mulé if you have a report
13 today.

14 BOARD MEMBER MULÉ: Yes, I do. Thank you, Madam
15 Chair.

16 We heard one permit item in our Committee meeting
17 for a tire facility, a major tire permit. There were two
18 Scopes of Works that we approved, the environmental
19 investigation services contract as well as for the
20 laboratory services contract.

21 We also heard a good faith effort item for the
22 city of Norwalk, and we put that one on consent.

23 There was another item for the city of Cerritos,
24 that request for time extension. And we are going to hear
25 that one today at the full Board.

1 And then we did have the rigid plastic packaging
2 proposed regulations, which the Committee recommended to
3 put out for 45-day comment period, which starts the formal
4 rule-making process.

5 And then last but not least, the commingled
6 recycling rate for the plastic bag AB 2449 program, we'll
7 be hearing that today.

8 That concludes my report. Thank you.

9 CHAIRPERSON BROWN: Thank you very much.

10 Next we'll move to the Market and Sustainability
11 Committee. Chair Petersen, do you have a report?

12 BOARD MEMBER PETERSEN: Good morning, Madam
13 Chair.

14 The Committee heard a terrific presentation by
15 Professor Joe Green from Chico State University and his
16 evaluation of degradable plastic packaging and disposal
17 food service ware.

18 By the way, we heard five items in Committee.

19 There was a lively discussion followed by
20 direction to staff on a draft fact sheet about compostable
21 plastics. We agreed that more research is needed on the
22 environmental fate of degradable plastics with a focus on
23 their impact on the food chain or in the food chain.
24 We're finding out more and more about the affects of
25 plastics in the environment and human body, and we need to

1 be cautious about promoting degradable plastics. Under
2 the right conditions, they may leave no visible trace, but
3 that doesn't mean they're good for us. Staff will be
4 revising the fact sheet to include some appropriate
5 caveats and cautions.

6 We unanimously approved the eligibility criteria
7 priority categories and evaluation process for the new
8 rubberized asphalt concrete chip seal grant program. This
9 item was approved on the Board's consent calendar this
10 morning.

11 We also approved two grant items, the targeted
12 rack incentive grants and the RAC use grants, for physical
13 consent by the full Board today.

14 And lastly, we moved Agenda Item 15 to the full
15 Board for consideration, requesting that the staff look
16 more closely at the need for expanding the examination of
17 asphalt roofing materials as part of the next statewide
18 waste characterization study.

19 And that concludes my report.

20 CHAIRPERSON BROWN: Thank you very much.

21 We'll go to the presentation on Agenda Item 12,
22 Howard Levenson.

23 PROGRAM DIRECTOR LEVENSON: Thank you, Madam
24 Chair. And good morning, Board members. Howard Levenson,
25 Director of Sustainability Program.

1 I'll make a brief presentation on Items 12 and
2 13.

3 Item 12 is Consideration of Grant Awards for the
4 Targeted RAC Incentive Grant Program. We're very pleased
5 we're able to bring in Siskiyou County for the first time
6 in the RAC Program.

7 And staff recommends that the Board approve
8 Option 1 and adopt Resolution Number 2007-230 revised.

9 CHAIRPERSON BROWN: Anybody have any questions on
10 Item 12?

11 BOARD MEMBER PETERSEN: Madam Chair, I'd like to
12 move Resolution 2007-230 Revised.

13 BOARD MEMBER PEACE: Second.

14 CHAIRPERSON BROWN: It's been moved by Member
15 Petersen and seconded by Member Peace.

16 Kristen, can you call the roll?

17 EXECUTIVE ASSISTANT GARNER: Chesbro?

18 BOARD MEMBER CHESBRO: Aye.

19 EXECUTIVE ASSISTANT GARNER: Danzinger?

20 BOARD MEMBER DANZINGER: Aye.

21 EXECUTIVE ASSISTANT GARNER: Mulé?

22 BOARD MEMBER MULÉ: Aye.

23 EXECUTIVE ASSISTANT GARNER: Peace?

24 BOARD MEMBER PEACE: Aye.

25 EXECUTIVE ASSISTANT GARNER: Petersen?

1 BOARD MEMBER PETERSEN: Aye.

2 EXECUTIVE ASSISTANT GARNER: Brown?

3 CHAIRPERSON BROWN: Aye.

4 Thank you. The resolution passes.

5 We move next to Agenda Item 13, Consideration of
6 Grant Awards for Rubberized Asphalt Concrete Use Grants.
7 Howard Levenson.

8 PROGRAM DIRECTOR LEVENSON: This is the first
9 offering or the first award this year of the targeted RAC
10 normal kind of RAC use grants. You'll see three more
11 awards later this year and we expect this program will
12 ramp up.

13 We have four awards that we're offering for your
14 consideration today: One to Los Angeles County; one each
15 to the cities of Moore Park Glendale; and Rancho Cordova.

16 So staff recommends that the Board approve Option
17 1 and adopt Resolution 2007-228 revised. Thank you.

18 CHAIRPERSON BROWN: Thank you, Howard.

19 Does anybody have any questions on this item?

20 BOARD MEMBER PETERSEN: I'd like to move
21 Resolution 2007-228 Revised.

22 BOARD MEMBER PEACE: Second.

23 CHAIRPERSON BROWN: It's been moved by Member
24 Petersen and seconded by Member Peace.

25 Kristen, can you call the roll.

1 EXECUTIVE ASSISTANT GARNER: Chesbro?
2 BOARD MEMBER CHESBRO: Aye.
3 EXECUTIVE ASSISTANT GARNER: Danzinger?
4 BOARD MEMBER DANZINGER: Aye.
5 EXECUTIVE ASSISTANT GARNER: Mulé?
6 BOARD MEMBER MULÉ: Aye.
7 EXECUTIVE ASSISTANT GARNER: Peace?
8 BOARD MEMBER PEACE: Aye.
9 EXECUTIVE ASSISTANT GARNER: Petersen?
10 BOARD MEMBER PETERSEN: Aye.
11 EXECUTIVE ASSISTANT GARNER: Brown?
12 CHAIRPERSON BROWN: Aye.
13 That concludes our fiscal consent, or physical
14 consent.
15 We have three items to be heard by the full
16 Board.
17 We have two speakers here today who are
18 interested in speaking on an item during the public
19 comment period relative to Item 6, which was Committee
20 only. So I will invite them to make brief public comment
21 at this time. Randy Pollack.
22 MR. POLLACK: Thank you, Madam Chair, members of
23 the Board. Randy Pollack on behalf of many retailers who
24 are very concerned with Agenda Item 6 dealing with RPPC
25 regulations.

1 I just want to make a couple brief points here.
2 One, after our discussion at the Committee hearing, one
3 thing I forgot to address is I would just request the
4 Board that one of the things that Agenda Item 6 will do
5 will vastly expand the RPPC law to virtually include all
6 clam shells that are out there. I would asked this Board
7 to ask staff to conduct a study as to the information that
8 has been provided to this Board by companies over the past
9 ten years as to document how many clam shells can we
10 determine have been source reduced or contain
11 post-consumer resin.

12 I believe what you're going to find is most of
13 them have not. I believe what we're setting up here is a
14 law that's going -- the intended consequence is failure.
15 That what we're going to do is continue to expand the vast
16 universe where companies can't even comply with the
17 current law, current regulations. And now you're going to
18 have more companies not being able to comply with the law.

19 And once again, I want to reiterate that all the
20 stakeholders who appeared at the Committee hearing agreed
21 we needed some additional meetings. That was universal.
22 And I believe it would be more prudent to go with Option
23 2, which would request that more meetings be conducted
24 before we move forward. Thank you very much.

25 CHAIRPERSON BROWN: Thank you, Randy.

1 Next we'll hear from Ralph Nelson from Ropack
2 Packaging.

3 MR. NELSON: Thank you, Madam Chair. And good
4 morning everyone. I've met some of you before. It's nice
5 to be here again.

6 Last week in Committee, the people on the
7 recycling -- some of the recyclers came out against one of
8 the proposals. And we have for clarification the RPPC
9 regarding using polypropylene as a material to replace
10 high density as a means to source reduce.

11 Subsequent to that -- before that actually, I had
12 a meeting with Mike Leao. Mike Leao sent me a letter
13 asking three questions, and I responded to that letter.

14 We feel that the reduction in greenhouse gases
15 can be anywhere from 20 to 40 percent. We don't feel that
16 any negative impact on recycling will occur at all. The
17 statistics that the recyclers use are for bottles and
18 bottles only. There is really no obtainable data for
19 injection molded open top containers.

20 I want to make sure that everyone understands
21 there is a difference. There is a difference between a
22 milk jug and an open top container. There's differences
23 in material and there's differences in function. And
24 you're probably saying, what is happening to open top
25 injection molded containers? For the most part, when you

1 talk to the MRFs, when you talk to recyclers about this
2 subject, for the most part it's going into mixed bails.
3 And in California, for the most part, it's going to China.

4 It's going China because realistically the
5 divergence of codes makes it very difficult to sort that
6 material on an economic basis. As a matter of fact, if
7 you were to talk to the recyclers, they'll tell you
8 they're losing about half of their PET to China because of
9 sorting cost. Anything that's labor-intensive in this
10 country has moved to China, whether it's building clothes
11 or cars, what have you. The same thing applies to
12 sorting.

13 So we don't see a negative impact on recycling.
14 If you were to look at recycling numbers, you would say
15 everything is high density or PET. Very, very small
16 percentage is polypropylene. That is absolutely true. A
17 very small portion is polypropylene. If you look at
18 injection molded containers -- I'm talking about
19 containers for yogurt, deli item, potato salad, if you
20 talk about pales, half of the injection molded containers
21 are made of polypropylene. In the total scheme of things,
22 plastics, there is equal amounts of polypropylene and high
23 density use in this country. About 15 billion pounds for
24 a variety of things. So there is a stream of material in
25 polypropylene that's available that needs to be recycled.

1 And we are actively looking for ways to do that.
2 We actually are trying to work with recyclers to find a
3 source of injection grade polypropylene and injection
4 grade high density. It's not readily available. We are
5 working on it. We are making some success on it.

6 In the mean time, don't lose site of the fact
7 that you can reduce total part weight by as much as 20 to
8 40 percent. Why not source reduce as a means to attack
9 our sustainability issue? And in the mean time, let the
10 infrastructure and our group, the processors work out the
11 details on whatever ways we can get to PCR.

12 By the way, our group will be challenged by
13 Wal-Mart scorecard to come up with PCR content for our
14 products. So regardless of what you decide here, I'm
15 going to go get it, and I'm going to try to get it in
16 large quantities. Don't take one of my options away of
17 using a source-reduced material like polypropylene. Not
18 only can I source reduce high density, I can also
19 effectively replace with clarified polypropylene PVC.
20 Thank you.

21 CHAIRPERSON BROWN: Thank you, Mr. Nelson.

22 Anybody have any questions?

23 BOARD MEMBER DANZINGER: Sorry. Maybe I'm a
24 little behind the eight ball.

25 Are you saying you re-submitted that question

1 about whether that should be included? And the current
2 regs reject that as a means of compliance? Is that how
3 the regs currently stand?

4 MR. NELSON: It's undecided. I think they say if
5 it negatively impacts recycling that --

6 BOARD MEMBER DANZINGER: I've heard that before.

7 MR. NELSON: But I just wanted to rebut what was
8 given to the Committee yesterday -- or last week. I'm
9 sorry. I've given you all a copy of a letter to Mike
10 Leason about this subject which goes into great detail
11 about what's happening in recycling, what the rates are,
12 where it's going, and all the rest of it.

13 BOARD MEMBER DANZINGER: I mean, I have thoughts,
14 I mean, on this. I guess what I'm really curious about --
15 I don't know if this is appropriate time -- where my
16 colleagues on the Board stand on this issue. Is this
17 something we're deciding today as moving the regs forward
18 or not?

19 CHAIRPERSON BROWN: No. But we have started the
20 45-day comment period. So I appreciate both you, Mr.
21 Nelson, and Mr. Pollack for being here and continuing to
22 participate in the dialogue and the discussion about RPPC
23 and the regulations and how they go forward with source
24 reduction and resin calculation and what can be
25 transferred and utilized for resin.

1 But we are in a 45-day comment period. We've
2 submitted that reg package for the 45-day comment period.
3 So I encourage you to participate in that and send your
4 comments to the Board during this 45-day comment period.
5 And as soon as the conclusion of that 45-day comment
6 period comes up, we will take all of your comments under
7 consideration when we look at the reg package as it moves
8 forward.

9 MR. NELSON: I appreciate that. I certainly hope
10 you will read that letter. It's involved.

11 CHAIRPERSON BROWN: That's when we'll take up the
12 dialogue.

13 MR. NELSON: Thank you very much.

14 CHAIRPERSON SAWYER: Thank you very much.
15 Appreciate that.

16 And now without further ado, thank you so much,
17 Secretary Adams, for joining us here today. We have only
18 briefly mentioned your participation in the Board meeting
19 today. So we welcome you -- I welcome you on behalf of
20 all the Board members. And thank you very much for being
21 here.

22 CAL/EPA SECRETARY ADAMS: Thank you very much,
23 Madam Chair. I apologize for my tardiness, but I was
24 dealing with the next unfortunate disaster, the oil spill
25 in San Francisco Bay. And our Office of Environmental

1 Health Hazard Assessment will be playing a major role with
2 regards to fishery closures. So I apologize for the
3 delay.

4 But I did want to come and formally thank the
5 Board and the staff for the tremendous job they did
6 dealing with the aftermath of the Angora fire.

7 And if I may, I would like to read a letter that
8 I have addressed to the Board and to your staff. And that
9 is:

10 "In the wake of the Angora fire, 257 homes
11 were destroyed and more than 3,000 acres were
12 charred in what has been considered the worst
13 disaster in recent Lake Tahoe history. The
14 community was faced with cleanup and rebuilding,
15 while at the same time protecting the natural
16 resources for which Tahoe is known.

17 "Thanks to a collaborative effort led by the
18 California Integrated Waste Management Board,
19 local agencies and cleanup crews were mobilized
20 to immediately begin cleanup efforts.

21 "Your efforts to lend State-certified
22 contractors to local agencies greatly expedited
23 the process. Without the \$7 million dedicated to
24 the project by the Board, this project would have
25 been caught in red tape for weeks.

1 "Your coordination sent qualified workers to
2 help field concerns at the local joint
3 information center. You provided pertinent
4 legal, environmental, and health information to
5 crews and local residents throughout the process.
6 Furthermore, your collaboration between cleanup
7 crews, local agencies, and the Governor's office
8 indeed was astounding.

9 "In all, 22,000 hours were spent clearing
10 almost 60,000 tons of ash, hazardous waste, and
11 debris without incident or injury. And the
12 Board's leadership allowed the State to complete
13 the removal process ahead of schedule, allowing
14 some homeowners to begin rebuilding immediately.

15 "The Governor's office has called it the new
16 gold standard, and I certainly agree. Your
17 efforts serve as a model for future disaster
18 cleanup efforts. And you should be commended.

19 "And thank you again for helping rebuild this
20 community and for protecting public health and
21 the environment."

22 And Chairman Reid, I'd like to mention not only
23 thanking the Board personally, but I understand there were
24 some key staff people that I'd like to mention. And those
25 were Wes Mindermann, Bernie Vlach -- I don't know if I

1 pronounce that right -- Jon Myers, Andy Moreno, Marc
2 Arico, and Todd Thalhamer. So thank you.

3 Thank you all very much. And I have letters of
4 appreciation for the Board and staff.

5 CHAIRPERSON BROWN: Thank you, Linda. We have
6 another presentation, so we would like to invite you to
7 stay for our presentation. We have some special guests.
8 It will just take a minute.

9 And just want to mention -- I think you mentioned
10 that this is considered the new gold standard. And I
11 think people don't realize the heart and soul that went
12 into this project and creating this Angora model. And it
13 really was our people who were on the ground working with
14 the local leaders and County Board of Supervisors to
15 create the model and to work with the homeowners.

16 They built trust from day one. It couldn't have
17 been done without the trust between our staff, County
18 Supervisor Norma Santiago who really championed this
19 effort. But she did it because she really trusted and put
20 faith in our staff and their efforts to make this a
21 reality. And not only did we create the new gold
22 standard, but we did it on time and actually exceeded the
23 Governor's expectations by a week.

24 So I certainly join you as I believe all of our
25 fellow Board members do in this wonderful tribute to the

1 staff today.

2 And one of the people -- not to single out one,
3 because it really was an entire team effort. But we do
4 have a special presentation for Todd Thalhamer from his
5 fellow fire fighting colleagues. So I would like to
6 invite down Chief Dennis Planje and Lieutenant Mike
7 Roppolo who have a special presentation today for Todd.
8 With his many hats on.

9 CHIEF PLANJE: Madam Chair, we were invited -- I
10 don't have an actual presentation or anything for Todd.
11 Although I would like to explain to you who Todd is to us.
12 Todd is a valued member of our fire department. He goes
13 way above and beyond the call at every expense to himself.
14 He dedicates a lot of time as a volunteer to a combined
15 department. When he was given the opportunity to assist
16 in the Angora fire situation as far as the cleanup, we
17 were highly proud that he wore our name in the cleanup
18 effort.

19 All I can do is tell you that he is a quality
20 employee for us as a volunteer and that you have a quality
21 employee that works for you. I don't want to lose him, so
22 you guys might not get him. First chance I get to get him
23 full time, I'm going to grab him. But that's the kind of
24 person Todd is.

25 Besides doing that kind of work for you and for

1 us, he also works with us in our social environment. He
2 deals with Toys for Tots. He works with canned food
3 programs with our department. So he's a full-faceted
4 employee. He's not just a single picture that you get.

5 I would like to thank you for the opportunity to
6 come publicly thank him for his service to us and to you.
7 Thank you.

8 CHAIRPERSON BROWN: Thank you, Chief. Your being
9 here is tribute enough. Your tribute is just being here.
10 I appreciate both of you being here.

11 I know Norma sings the praises of the Angora
12 model. And as we move down into San Diego, Los Angeles,
13 San Bernardino, Riverside, and Orange County for the clean
14 up of those just in excess of 2,000 homes, the Angora
15 model is what most of the jurisdictions are using to help
16 their homeowners with the same difficult situation of
17 moving on with their lives after the devastating fires
18 that hit at least San Diego, San Bernardino, Riverside are
19 using the Angora model.

20 So Todd, Wes, Ted, thank you for your efforts
21 down in San Diego and Riverside, San Bernardino. I know
22 we have a huge effort ahead. But without the commitment
23 of time and energy and passion for what you do and what we
24 are able to do as a State agency to assist homeowners in
25 the debris removal, we wouldn't be able to go down and

1 continue utilizing the Angora model.

2 BOARD MEMBER CHESBRO: Before we leave that, let
3 me ask Todd, do you know anything about oil spill
4 prevention and cleanup?

5 MR. THALHAMER: Give me a little time. I'll work
6 on it.

7 CHAIRPERSON BROWN: It's the protocol for washing
8 the birds, getting the birds rehabilitated.

9 Thank you, Todd, Wes, Ted, the entire team,
10 Bernie. Everybody, thank you for your efforts. To our
11 special guests, Secretary Adams, Chief, and my good friend
12 Mike Roppolo, thank you for being here.

13 Any other comments before we --

14 BOARD MEMBER MULÉ: Madam Chair, I just want to
15 reiterate what I said in Committee. The actions of this
16 staff in both the Angora fires and the response to the
17 fires in southern California, all I'm going to say is I'm
18 so proud to be part of this organization. And I want to
19 personally thank staff for all of your work and effort.
20 And because I know how hard it is and that you've given it
21 7-24 since the beginning of July. So thank you all very
22 much.

23 PROGRAM DIRECTOR RAUH: Madam Chair -- excuse me.

24 CHAIRPERSON BROWN: It was like the voice of God.
25 I'm sorry, Ted. I didn't know who was talking.

1 PROGRAM DIRECTOR RAUH: I have a little more base
2 in my voice today I guess.

3 I just wanted to indicate that if the Board is
4 interested, we have about a six to eight-minute
5 presentation on the Angora results and be happy to present
6 that.

7 CHAIRPERSON BROWN: Is it cued up and ready?

8 PROGRAM DIRECTOR RAUH: It's cued up and ready.

9 BOARD MEMBER CHESBRO: Madam Chair, before we
10 start, let me just say we applaud for Todd, but we didn't
11 have a round of applause for all the rest of the staff --

12 PROGRAM DIRECTOR RAUH: Part of our presentation
13 is to list all the people that were involved.

14 CHAIRPERSON BROWN: Okay.

15 PROGRAM DIRECTOR RAUH: If I could ask Wes to
16 come up and Todd. Wes.

17 CHAIRPERSON BROWN: Wes, do you want to come up
18 and do the intro on the video?

19 SOLID WASTE & TIRE CLEAN-UP PROGRAMS SUPERVISOR
20 MINDERMAN: Thank you, Madam Chair.

21 I will try. I understand that Secretary Adams
22 does have a little bit of a time constraint with the oil
23 spill. So I'll try to be as brief as possible.

24 You may recall that we did have a project known
25 as the Angora fire structural debris removal project. It

1 was a project that was formed after a multi-agency
2 coordination group came together to decide how to best
3 respond to the result of the Angora fire.

4 The concept was simple: Develop a program that
5 treats the debris removal after a wild land fire as a
6 single unified project based on commitment and customer
7 service.

8 The goals of the project were also simple:
9 Restore and protect the environment by removing the debris
10 by September 1st, 2007, and placing erosion controls prior
11 to the onset of winter, and speed the recovery of the
12 rebuilding process for those impacted by the destruction
13 of their homes.

14 Todd Thalhamer, the Operations Chief of the
15 project, will follow with a presentation with the
16 specifics of the operation.

17 I wanted to take a moment to recognize all the
18 staff and agencies who were involved in this project which
19 would give you an initial read on how complex it was to
20 manage such a large operation.

21 In terms of State resources, from the Integrated
22 Waste Management Board, we had Todd Thalhamer, Bernie
23 Vlach, Jon Myers and the Public Information Office, Andy
24 Marino, Marc Arico, Frank Simpson, Tabetha Willmon and
25 Natalie Lee as our planning chiefs, Glenn Young, and many

1 more staff who I can't name due to the time constraints
2 right now.

3 We also had from the Governor's office of
4 Emergency Services many staff, including Melinda Stehr.

5 From the Department of Toxic Substances Control
6 we had Nancy McGee, Allen Freihofer, Ivan Rodriguez, Adam
7 Palmer, and his staff.

8 From Cal Fire we had Mary Huggins and her staff.

9 Staff from the State of Lahontan Regional Water
10 Quality Control Boards, the California Highway Patrol, the
11 California Conservation Corps.

12 In terms of contractor resources, we had AJ Diani
13 Construction Company and their subcontractors including
14 Sukut Construction, Levine-Fricke, South Lake Tahoe
15 Refuse, Network Environmental Systems, and Mark Ackermann
16 who served as our Planning Chief.

17 El Dorado County also had a significant
18 commitment in terms of staff and resources, particularly
19 Supervisor Norma Santiago and the Board of Supervisors,
20 the Environmental Management Department under Jerry Silva,
21 the Building Department, the Department of Transportation,
22 the Sheriff's Office and County Fire Department.

23 Other resources involved in the project included
24 the United States Forest Service, Tahoe Conservancy, Tahoe
25 Regional Planning Agency, South Tahoe Public Utility

1 District, Sierra Pacific Industries, and even the Elk's
2 Lodge.

3 For those I may have omitted or couldn't name
4 today, I sincerely apologize for the inadvertent oversight
5 and want to thank them for their assistance. I'd also
6 like to thank for their patience, perseverance those
7 managers and personnel who, while back here at the office
8 in Sacramento, struggled to fill voids left in their
9 programs due to the commitment their staff to this
10 project.

11 Early in the formation of this task force, they
12 adopted the phrase, "unity and safety." And through the
13 combined efforts of all the abovementioned agencies and
14 staff and homeowners who volunteered to participate in the
15 program were able to clean up debris from over 250
16 structures and install erosion control measures during the
17 period from July 13th to October 23rd. It was a great
18 success.

19 And with that, I'd like to turn it over to Todd
20 Thalhamer who was the Operations Chief and I'll let him go
21 from here.

22 (Thereupon an overhead presentation was
23 presented as follows.)

24 MR. THALHAMER: I'll try to make this brief.

25 This was probably the pinnacle of my career. I

1 was asked to do something that had never been done before.

2 And I put everything into it to make it happen.

3 With that said, I came up with a concept. We
4 came up with a plan that we hit the ground with, the three
5 Cs. The concept was for the first time ever in the
6 United States was a coordinated debris removal to protect
7 the community. The mantra was we did not want to expose
8 the community as second time. They had been exposed one
9 time. We did not want to expose them a second time.

10 I was able to sit back from the 15 years from the
11 tire fires, the other incidents I've dealt with in my
12 lifetime as far as being a fireman and look at this for
13 the first time in a way I truly thought would be the best
14 way for the community.

15 It was a rare opportunity, and I want to thank
16 the Board for allowing me to, shall we say, step out on
17 the plank and make it happen. That's something that never
18 happens. Rarely do you get to change government from
19 staff level on up. But it has.

20 To look at it from just a quick perspective in
21 Southern California, and I know San Bernardino, the City
22 of San Diego, and County of San Diego are all using the
23 model we've developed in Angora. And truly that's a
24 humbling experience to do something of that magnitude and
25 have them take this magnitude.

1 There's been some stumbling blocks. FEMA has not
2 supported this model. FEMA does not, shall we say, want
3 to do cleanups on private lands, but the State of
4 California did. And FEMA as of today -- had a phone call
5 from FEMA, debris expert, and they're now looking at our
6 plan. So we've made changes nationally. That's
7 impressive from that standpoint.

8 But we all had the commitment from the staff to
9 the Board to everybody that was on the ground. It was
10 100 percent commitment.

11 I tell the staff and everybody who was working
12 for me -- I was operations chief. I'm just a lonely
13 engineer, as they say. But I reported an entire
14 operation. At the operations, my motto was customer
15 service. And you would have homeowners that come into the
16 DROC, disaster operation center, and they would be pretty
17 much upset. And this was nothing left. You would see a
18 picture of their home. They would come in and ask us
19 things like, "Well, is your heavy equipment going to
20 destroy X and Y?" "And could you not disturb where I have
21 my cat and dog buried?"

22 So we instituted a policy there that we took
23 information from them and made sure those things didn't
24 happen. We even had a great story about a lady who had
25 some rose bushes. And she came in fairly distraught. She

1 was upset the rose bushes were the only things that made
2 it. She had been trying to kill the rose bushes for the
3 past five years.

4 And as Operations Chief, I got to make the
5 decision as my contractor looked at me and said, "What do
6 you want to do about the rose bushes?" I said, "We'll
7 make the rose bushes disappear."

8 So that was the type of commitment that we had.
9 It was what they needed, what they wanted. As long as it
10 was a reasonable request, we made it happen.

11 With that said --

12 --o0o--

13 MR. THALHAMER: It's now known nationally as
14 Angora Protocols. And very proud of that fact.

15 --o0o--

16 MR. THALHAMER: To give you an idea of what it
17 took -- and again, I apologize for the mountain of, shall
18 we say, scribble on this screen. But this is under
19 incident command chart something that comes right out of
20 the fire service that I overlaid on top of Cal/EPA and
21 everything that's here.

22 The Waste Board was in a very unique position in
23 the fact that we worked under County's direction. We came
24 in as resources. And we got plugged in. I got plugged in
25 as an Operations Chief, and I had the entire left side of

1 that branch reporting to me under this incident.

2 But from that standpoint as a firefighter, we
3 know incident command. And sometimes you get put in
4 positions because of your expertise. And that's where I
5 was in this particular command structure.

6 With that said, you can see there's many facets
7 of the program the way it worked.

8 --o0o--

9 MR. THALHAMER: I did have a video, but I know
10 we're running short of time. It's an eleven-minute video.
11 If you'd like to visit it, Margo. If not, I can hand it
12 to you personally to watch.

13 I wanted to give you guys a before and after
14 quickly in the presentation in case there was not enough
15 time.

16 This is one of the homes off of Lookout. It was
17 799 Lookout. That was the before.

18 --o0o--

19 MR. THALHAMER: This is the after.

20 More impressively, this is after the entire
21 project has been done. To give you an idea, over 14,000
22 trees were removed. This it was our erosion control that
23 we designed in the field. That was a before and after of
24 the home. This occurred in less than 120 days.

25 --o0o--

1 MR. THALHAMER: The results, they speak for
2 themselves: 28,000 labor hours with no accidents.

3 I don't recall anything 100 percent in
4 government. We had every homeowner sign up for the
5 program. I mean every homeowner, and that was impressive.
6 They truly believed in what we offered. And it was
7 humbling to see that everybody believed that we could get
8 it done and we got it done.

9 Took us 38 days to remove 256 structures.

10 I do know the City of San Diego and County are
11 also pushing their contractors to have everything off the
12 ground within 45 days. The model is pushing the system.
13 And I'm happy to see that.

14 With that said, if you'd like to watch the video,
15 we can. It's eleven minutes long.

16 CHAIRPERSON BROWN: We can go ahead and view it.

17 Secretary Adams, if you have time to stay,
18 welcome you to stay. If you don't, we certainly
19 understand and can deliver you a copy.

20 But I think it's appropriate now that we see
21 that. So if we can do that.

22 MR. THALHAMER: To set up the video, a few things
23 I'd like you to watch. For one, if you can kind the World
24 War II five millimeter shell that we discovered in the
25 video.

1 With that said, it's basically an overlook at the
2 entire project from start to finish in about eleven
3 minutes.

4 (Thereupon a video presentation was made.)

5 (Applause)

6 MR. THALHAMER: So with that said, that was
7 probably picture perfect for me. It was an honor to make
8 it happen. It's an honor to change business.

9 With that said, you know, if I can just from my
10 perspective, truly if I'm asked to do it again, I will.

11 CHAIRPERSON BROWN: And you have.

12 MR. THALHAMER: Thank you.

13 CHAIRPERSON BROWN: Thank you, Todd, Ted, Wes,
14 actually everybody on that team, and everybody that's
15 going down to San Diego.

16 I will say that that video just barely touches on
17 what it was like to actually be there. And I had the
18 great honor of being there for a couple of the events.
19 But to really see how our staff interacted with the
20 homeowners and how appreciative the homeowners were, it
21 was pretty amazing.

22 And the pictures don't really even do it justice.
23 It was absolutely incredible to be up there and to see one
24 house that was perfectly fine and the three houses next
25 door that were gone.

1 Todd, you didn't tell the story about the
2 preschool. They went to such painstaking care. There was
3 a preschool in the burned out area that survived
4 completely intact. And every home around it burned. And
5 with the care of Todd and the staff, they scheduled for
6 the removal of all the structures around that preschool on
7 the weekend so there would be no disruption of the care of
8 the children in the preschool for the homeowners who
9 needed that facility to be open to support them. So it's
10 that kind of extra effort for the homeowners that our
11 staff took that is an incredible tribute to how great a
12 job you guys did.

13 So anyway, thank you all very, very much. We're
14 very, very proud of the entire staff. And everybody who
15 participated knows that supported them from back here to
16 enable them to do that. So I know you'll do the same kind
17 of care down in San Diego on Cheryl's behalf, all her
18 resident friends and homeowners. So any way, thank you
19 very much. I appreciate it.

20 Any other comments before we move on?

21 BOARD MEMBER DANZINGER: Thanks for getting our
22 Chair into her first music video.

23 CHAIRPERSON BROWN: Yeah. He did talk about
24 safety. That's why I was only allowed the last shovel.
25 None before.

1 Anyway, thanks, Jeff.

2 All right. Thank you, all. Thank you, Chief,
3 Lieutenant, for being here. It's a tribute to Todd and
4 the entire staff that you came down for this presentation
5 today.

6 Okay. So now we move on to our regular agenda.
7 Well, what's left of it. We'll move to Item 5, which is
8 Consideration of the City of Cerritos' Request for an
9 Extension and Compliance Order. And Ted Rauh to present.

10 PROGRAM DIRECTOR RAUH: Yes. Thank you, Madam
11 Chair. Ted Rauh with the Waste Program.

12 Don't have the title correct here. I'd like to
13 go on with Item 5, which is Consideration of the City of
14 Cerritos' Request for an Extension to the Compliance Order
15 Regarding the Due Date for Full Local Assistance Plan
16 Implementation.

17 Here today to present the details of the staff's
18 proposal are Michael Chen. Please, Michael.

19 MR. CHEN: Good morning, Madam Chair and members
20 of the Board. My name is Michael Chen of the Jurisdiction
21 Compliance and the Audit Section.

22 This presentation includes updated information.

23 The Board issued the City of Cerritos in the
24 County of Los Angeles the Compliance Order on February
25 13th, 2007. The Compliance Order requires the City to

1 fully implement its Local Assistance Plan, otherwise known
2 as LAP, by December 31st, 2007.

3 One of the key programs in the LAP is the
4 residential curbside program. To date, the City has been
5 implementing most parts of its LAP. However, negotiations
6 with its hauler have delayed the implementation of the
7 residential curbside program.

8 It is staff's understanding that the City is
9 finalizing negotiations with the hauler and is presenting
10 the contract amendment to the city council. The City had
11 previously hoped to present the contract amendment for
12 adoption on October 25th. However, after the agenda item
13 was posted in the BAWDs system, Board staff was informed
14 that the City is now looking at presenting the contract
15 amendment for adoption at the regularly scheduled meeting
16 on December 13th.

17 The City's official reported diversion rates for
18 2002, 2003, and 2004 are 45 percent, 43 percent, and 45
19 percent respectively.

20 The City's preliminary reported diversion rate
21 for 2005 is 48 percent. And staff has projected the
22 City's diversion rate for 2006 to be 48 percent.

23 Based on staff's analysis of their requested time
24 extension and supporting documentation, staff recommends
25 adoption of Option 1.

1 Included in Option 1 is a one-year monitoring
2 period which allows both staff and the City to monitor to
3 progress of full implementation of the LAP. In this
4 monitoring period, staff will closely monitor the progress
5 of both the contract and the implementation of the LAP.
6 And staff will bring a penalty item to the Board should
7 the City fail to fully implement its LAP.

8 This concludes staff's presentation. Staff and
9 Mike O'Grady from the City of Cerritos are available to
10 answer any questions.

11 CHAIRPERSON BROWN: Thank you, Michael. Why
12 don't we first hear from Mike O'Grady from the City of
13 Cerritos and then take questions.

14 MR. O'GRADY: Good morning, Madam Chair, members
15 of the Board. My name is Mike O'Grady. I'm the
16 Environmental Services Manager for the City of Cerritos.
17 And I want to thank you for hearing our request for a
18 Compliance Order time extension today, as well as thank
19 your staff for their assistance in bringing this before
20 you.

21 The city of Cerritos is an extremely diverse
22 community with a wide variety of preferred languages. And
23 in fact, in a city 55,000 people, we have five separate
24 languages in our election documents. Consequently,
25 disseminating public information can be quite a challenge.

1 With this in mind, the City has relied on mixed
2 waste processing to achieve its residential diversion
3 since the 50 percent requirement went into effect in the
4 year 2000. This decision was made to ensure a high level
5 of participation amongst Cerritos residents. While
6 overall diversion in the city has increased from 42
7 percent in 2003 to 45 percent in 2005 and 48 percent in
8 '05 and '06, residential diversion has suffered.
9 Consequently, a Compliance Order was issued to the City of
10 Cerritos.

11 The City has worked diligently to identify
12 program details that will maximize its overall diversion
13 rate. In doing so, it has determined it was necessary to
14 negotiate a new contract rather than amend the existing
15 contract.

16 To date, the City has included a number of items
17 in its proposed contracts that we're very proud of. First
18 and foremost being a three-cart residential recycling
19 program. Second of all, we've set minimum diversion
20 requirements of our hauler for both roll off and
21 commercial waste, as well as required them to send a
22 minimum number of tons for transformation annually.

23 The overall estimated diversion that these
24 programs will bring us in the city of Cerritos will be 56
25 percent minimum.

1 Other terms that we've negotiated in the contract
2 include a curbside e-waste recycling program for Cerritos
3 residents free of charge, as well as a u-waste dropoff
4 free of charge to our Cerritos residence. Of course, the
5 purpose of this is to eliminate those wastes from reaching
6 the landfills. As well as we required our waste hauler to
7 utilize non-diesel alternative fueled trucks on both the
8 residential and commercial routes.

9 The City is in the final stages of negotiating
10 this deal with the contract waste hauler. And we're
11 confident the programs will be in place by March 31st.

12 We're excited about the programs. We think
13 they're going to be highly effective. And we think the
14 due diligence we put in now is going to pay off
15 dramatically over the next seven to ten years.

16 I'm here today to respectfully request your
17 understanding that the City is putting in due diligence in
18 negotiating this deal and request that you extend our
19 Compliance Order timeline by 90 days.

20 I would be happy to answer any questions that you
21 may have. Thank you.

22 CHAIRPERSON BROWN: Thank you very much, Mike.

23 Any questions, Board members?

24 BOARD MEMBER PEACE: The only question I have is
25 has the City of Cerritos, has your city council adopted a

1 C&D ordinance?

2 MR. O'GRADY: Yes. It's been adopted. The last
3 council meeting we had was November 8th. The second
4 hearing -- the second reading of that C&D ordinance passed
5 on November 8th.

6 BOARD MEMBER PEACE: Has it been implemented yet?

7 MR. O'GRADY: We're in the process of
8 implementing. It be implemented by December 8th, which is
9 30 days after its second reading.

10 BOARD MEMBER PEACE: So November 8th of 2007 is
11 when you got your C&D ordinance?

12 MR. O'GRADY: Yes, ma'am.

13 BOARD MEMBER PEACE: I want to take a minute here
14 to read something, because they're asking us for a time
15 extension when they first said they would have this done
16 October 25th. And then it was delayed until November 8th.
17 And now they're asking us to extend this even more,
18 because now they're going to consider it on December 13th.

19 When they were first given their SB 1066 Time
20 Extension, this was in January of 2003. The City
21 continues to consider the implementation of a local
22 ordinance requiring the diversion recycling plan for all
23 new C&D projects within the city. We suggested that a new
24 C&D ordinance need be enacted by the city. The new
25 ordinance will require all inert materials generated from

1 C&D projects to be rendered to a C&D recycling facility.
2 Compliance of this ordinance will be included as a permit
3 requirement for all affected projects. The City plans on
4 enacting the C&D ordinance the first part of 2003. The
5 City estimates a four percent additional diversion from
6 this new program.

7 This is in 2003 when we gave them their SB 1066
8 Time Extension.

9 February, when we considered the Compliance
10 Order, February 2007. This is four years later. The City
11 reported it would implement the C&D ordinance in the Plan
12 of Correction, substitute its part -- Board-approved time
13 extension in January 2003.

14 The City submitted 2004 annual report and final
15 time extension update. They indicate steps were taken to
16 create an Ordinance Development Committee. The draft
17 ordinance was create and internally reviewed but never
18 approved.

19 So again in their consideration of the Compliance
20 Order, we said the City needed to initiate the process of
21 researching development of C&D ordinance. But to date --
22 this is four years later, mind you -- has still not
23 reported the adoption of or implementation of the C&D
24 ordinance.

25 So what I'm saying, it seems to take the City of

1 Cerritos a long time to do anything. We have suggested in
2 2003 that they do a C&D ordinance. Now you just told me
3 just now, five years later, that they finally got around
4 to implementing the C&D ordinance. If they would have
5 done that four years ago when we asked them to, you
6 probably would be at 50 percent and wouldn't be in this
7 situation right now.

8 But you know, I mean, I'm telling you, it's
9 really, really hard for me to grant them a time extension,
10 especially when we have put other little places on
11 Compliance Orders and actually fined them. I can't
12 remember something like Arvin, McFarland. I can't
13 remember if we actually -- if those are the ones we
14 actually wound of fining, but they were on Compliance
15 Order. And we fined them for not implementing the
16 programs to reach 50 percent.

17 This was two or three years ago we did this to
18 these little, little places. They're not big like
19 Cerritos. These other places were very poor. I mean, he
20 talks about having a lot of languages. But in Cerritos
21 there's only five percent of population below the poverty
22 level. The medium income is like \$83,000. And here we
23 already fined two and three years ago these little tiny
24 communities for not reaching their 50 percent. And here
25 we are years later still saying we're going to give

1 Cerritos -- you know, we're considering a time extension
2 for them.

3 And I guess I'm just finding this really, really
4 hard. I mean, they should have implemented these basic
5 programs, like their curbside recycling, their green waste
6 collection, C&D ordinance. Those all should have been
7 implemented starting in 2003 when they were given their SB
8 1066 Time Extension.

9 I just cannot for the life of me think why we
10 would give them another time extension when they knew in
11 2003 when they got the time extension they had to do these
12 things.

13 So I guess those are my comments.

14 BOARD MEMBER CHESBRO: Madam Chair.

15 CHAIRPERSON BROWN: Member Chesbro.

16 BOARD MEMBER CHESBRO: While I'm extremely torn
17 about this, I agree with what Board Member Peace just
18 said. You may recall we had a city in the Bay Area before
19 us a few months ago who had a similar lack of obvious
20 action. But if I remember correctly, they were in the low
21 30s.

22 And I guess to difference here to me is that
23 they're within -- they seem like they're within shooting
24 range. It's like 48 percent, is that what we heard? So
25 it makes it a little harder for me to say, well, there's

1 been obviously no effort.

2 I agree with Board Member Peace that just a few
3 more steps, one or two more steps, would have easily
4 gotten you beyond 50 percent. But on the other hand, it's
5 a little hard for me to be quite as hard as we've been on
6 some jurisdictions that were well below 50 percent when it
7 seems like you're within a reasonable shot at getting
8 there very soon, if the path is continued.

9 The other question that you raise that's a good
10 one is how many extensions, how long can this process go
11 on without it seeming tough enough to actually get the
12 action that is necessary to get to 50?

13 So I buy much of what you're saying, but it seems
14 like it's close enough to not be in quite the same
15 category as some of the others that we have slapped, the
16 Board has slapped pretty hard.

17 BOARD MEMBER PEACE: The ones that we slapped
18 real hard were very poor communities. They really did
19 have problems.

20 To me, this community has no excuse. They're one
21 of the highest income level communities in the state. To
22 me, there's just absolutely no excuse why they shouldn't
23 have started doing all these programs in 2003 when we gave
24 them their SB 1066 time extension to begin with,
25 especially when they say they're at 48 percent. We

1 haven't seen those numbers, obviously. But they say
2 they're going to be at 48 percent, which is great. That's
3 great. But they were supposed to be there seven years
4 ago.

5 CHAIRPERSON BROWN: Mike, do you have any -- not
6 necessarily response, but reasoning why from 2003 when the
7 original Compliance Order was agreed to by this Board, why
8 it's taken the City so long to get to a new contract, to
9 getting to some of these decisions that -- as Member Peace
10 raised, the City had made commitments to previously. I
11 mean, the C&D ordinance, that's fairly simple to do. I
12 mean, sometime in the last seven years could have done.
13 So could you give us somewhat of an explanation about why
14 the time has slipped by so quickly?

15 MR. O'GRADY: Yes, ma'am. I can tell you that
16 once we received the time extension back in '03, we did
17 amend our contract with our waste hauler. And that
18 amended contract then read that the waste hauler was
19 obligated to deliver all of the waste generated in
20 Cerritos, including C&D waste, to a material recovery
21 facility.

22 The problem we've run into is our hauler is
23 meeting the requirements of the contract in delivering all
24 of our waste to a material recovery facility, but it's
25 being pushed. So hence the decision to rework the entire

1 contract and come up with one with very specific diversion
2 goals so that we have control over how our waste is being
3 processed.

4 CHAIRPERSON BROWN: So have you done somewhat of
5 a waste characterization study that determined this and
6 that's why you went out to a full new contract?

7 MR. O'GRADY: Yes, ma'am. We did we conduct a
8 waste characterization study. Our directed our hauler to
9 as soon as the Compliance Order was issued back in
10 February. And analyzed the results of that study to
11 determine that a three-cart residential system would be
12 highly effective in the city.

13 CHAIRPERSON SAWYER: Okay.

14 BOARD MEMBER PEACE: To me, why did they need a
15 waste characterization study to show that? The rest of
16 the state is pretty much already on the three-cart system.
17 Why did you need to go out and do a special waste
18 characterization study to show that to you when it's
19 already been shown across the state that's what you need
20 to do to get to 50 percent?

21 MR. O'GRADY: We wanted to make sure. We
22 presented five separate programs to our city council, and
23 we wanted to make sure they had the information in front
24 of them that would enable them to make a decision on which
25 system was going to be most effective. And we felt that

1 was an appropriate step to provide them the information
2 they needed.

3 CHAIRPERSON BROWN: Member Mulé.

4 BOARD MEMBER MULÉ: Thank you, Madam Chair.

5 I do have a couple of questions either for staff
6 or you, Mike. What's the population of your city; 55,000?

7 MR. O'GRADY: Right at 55,000.

8 BOARD MEMBER MULÉ: When you did your waste
9 characterization, what percentage of your waste stream was
10 C&D material?

11 MR. O'GRADY: We conducted a residential waste
12 characterization study --

13 BOARD MEMBER MULÉ: So the C&D wasn't included?

14 MR. O'GRADY: No. Not in that characterization
15 study. At that point by the time we were issued the
16 Compliance Order, we had already made the determination we
17 needed to address self-haul waste in our C&D policy in
18 addition to franchise waste hauler waste.

19 BOARD MEMBER MULÉ: Thank you.

20 Madam Chair and Board members, I, too, am torn on
21 this one and I'll tell you why.

22 You know, the numbers say one thing, 43, 45, 48
23 percent. That sounds really good. We're close. But what
24 really concerned me about this item was the fact that they
25 did not have some of the basic programs implemented. For

1 example, the three-cart system was not even implemented in
2 your jurisdiction. And I know several years back we had a
3 jurisdiction come before us and it was the same thing. I
4 think they were at about 45, 47 percent, and they didn't
5 have a basic curbside residential recycling program in
6 place. And I think we put them on a Compliance Order at
7 the time.

8 That all being said, I think by the same token
9 the way that the resolution reads is that we do have a
10 one-year monitoring -- closely, a monitoring program here
11 that will ensure that the jurisdiction and their
12 contractor will do what they say they're going to do.

13 What I'd like to hear from staff is if they don't
14 meet the terms -- if we do decide to go down this route
15 and they don't meet these terms, we will put them on a
16 Compliance Order a year from now.

17 CHAIRPERSON BROWN: I thought they're already on
18 a Compliance Order.

19 BOARD MEMBER MULÉ: I mean fine them --

20 SUPERVISOR O'SHAUGHNESSY: Trevor O'Shaughnessy
21 Jurisdiction, Compliance and Audit Section.

22 Board Member Mulé, to answer your question
23 directly, the next step from here is if there's any
24 variations from complying with the Compliance Order, there
25 will be an item brought forward that will be providing you

1 the opportunity to instigate fines or provide new
2 direction for staff. But the next step is the penalty
3 option.

4 BOARD MEMBER DANZINGER: Is that 90 days from
5 now? Because we're talking about a 90-day extension on
6 the Compliance Order. Is that what we are talking about?
7 If we grant the extension, we're going to be taking a look
8 at where they are in 90 days. And then we're going to --
9 if so determined, then consideration of fines.

10 MR. O'SHAUGHNESSY: There will be a continuous
11 monitoring. And as the worst case example, if December
12 goes by and they do not adopt a contract for any reason,
13 being a worst-case scenario, staff will be preparing an
14 agenda item to bring forward to you in either January or
15 February to state they were noncompliant with not only the
16 terms of this extension in our understanding as expressed,
17 but also not the December 31st deadline date because
18 everything has been missed. We will build the case to
19 present to you to say it is not progressing as is planned
20 and bring that forward for you to make the decision.

21 BOARD MEMBER DANZINGER: I mean, I think that's
22 important. Because I agree with nearly everything you're
23 saying, Cheryl. And I feel the frustration that you're
24 feeling.

25 So I think at the very least what we should have

1 today is a strong message it's an either/or at this point.
2 It's no longer open ended, keep going, we'll take a look
3 at you later. It's sort of like we're at this point now
4 where it's okay, you know, we like sort of what we're
5 seeing here recently and where you say you're going. But
6 in short order, we need to take a look at it and make a
7 hard decision.

8 CHAIRPERSON BROWN: I have an option that I'll
9 throw out on the table that I understand from Member Mul
10 may have been exercised before.

11 Can we, Chief Counsel, Mr. Block, if the Board
12 chooses to levy fines today for noncompliance, hold them
13 in abeyance with certain deadlines to meet the commitments
14 that they've made to adopt the -- or to get the new waste
15 hauler contract at the December 13th County Supervisor
16 meeting and get the contract in place and begun by March
17 31st --

18 CHIEF COUNSEL BLOCK: You can't do exactly that,
19 because the item today is not noticed for imposing
20 penalties. The item today was to consider whether or not
21 to grant an extension.

22 However, you could direct staff to go ahead and
23 schedule an item for penalties timed however you want
24 that, either for the March time frame or a little bit
25 sooner if you want.

1 CHAIRPERSON BROWN: December?

2 CHIEF COUNSEL BLOCK: You could certainly -- we
3 have some time to put that on.

4 CHAIRPERSON BROWN: If we don't act today and
5 don't extend their Compliance Order, unfortunately our
6 December Board meeting falls prior to December 13th. So
7 we won't know. But we certainly could consider an item
8 that would fine the jurisdiction and hold it in abeyance
9 for their demonstration of commitment to adopt -- or take
10 under consideration in December the action that the Board
11 has committed to take. And then if the contract is not in
12 place and functioning by March 31st, then we can hold an
13 agenda item to consider removing the --

14 CHIEF COUNSEL BLOCK: We can do something like
15 that. I see Trevor is standing up. He might want to
16 comment just in terms of logistics of physically putting
17 that item on December and all the work that would have to
18 go into preparing a penalty item as opposed to, let's say,
19 January which gives a little bit more breathing room.

20 We're putting the agenda items into the system
21 Thursday. And there is a fair amount of work that would
22 be involved in putting an agenda item --

23 CHAIRPERSON BROWN: Well, I think the problem is
24 I can sense from the Board members that there is a level
25 of frustration that four years has gone by with the City

1 of Cerritos.

2 And I know, Mike, you've done a yoman's effort to
3 get a new waste hauler and all of that. But there needs
4 to be a message that goes to the City that this Board is
5 serious about their compliance with their 939
6 requirements. And I don't know that we're going to be
7 able to get a majority. Of course, I'm not telescoping
8 anything. People agreeing to give you a 90-day extension.

9 So Trevor.

10 SUPERVISOR O'SHAUGHNESSY: Thank you, Margo.

11 A point of clarification for legal staff. The
12 Compliance Order does not have a completion date of full
13 implementation of the LAP until December 31st of this
14 year. If the Board were to make a finding prior to that,
15 would that be consistent with the original order, or would
16 that be kind of preempting things and that the January
17 meeting being the more appropriate element?

18 In the standpoint of a preparation item, there is
19 an extensive element we need to go through to prepare for
20 you, per the CUM policy, to the fine schedule that needs
21 to be brought forward. And to rush us through that, we
22 may not provide you the best information available for the
23 Board to make its best determination of the level of a
24 fine, a minimum following that policy.

25 However, we will do as directed and meet the

1 cause.

2 BOARD MEMBER CHESBRO: Madam Chair, I think as
3 important as the date is the action we take today and the
4 message that it sends.

5 So I think a strongly worded motion which directs
6 that an item be set, being the December or January, and
7 says that, you know, if we have not achieved what the
8 Compliance Order asks for, then we will be hearing a fine
9 item at that meeting.

10 BOARD MEMBER PEACE: I just have a question. So
11 if they did not get their time extension, wouldn't you be
12 coming -- that ends on December 31st, wouldn't you be
13 coming back in January anyway?

14 CHAIRPERSON BROWN: So if we don't act today,
15 you're going to come before us in January with a fine
16 schedule; correct?

17 MR. O'SHAUGHNESSY: That is correct.

18 CHAIRPERSON BROWN: If the Board approves the new
19 contract on December 13th, will that comply with a
20 majority of their Compliance Order, or do they still have
21 measures beyond that?

22 SUPERVISOR O'SHAUGHNESSY: Where that puts us
23 with regards to the written languages of the Compliance
24 Order is they will not have full implementation of their
25 Local Assistance Plan.

1 So our options that we would be bringing forward
2 to you is basically fine them if they do not fully
3 implement. Other elements of that is they have this new
4 contract and they need time to implement it. So we're
5 kind of going to be bringing back to you potentially a
6 request for a time extension. And that's where we are
7 with this item today is basically asking for that time
8 extension. The City has formally requested us. We're
9 bringing it forward to the Board for their determination
10 of approving that time extension.

11 Throughout that entire period, we will be closely
12 monitoring the City to ensure full compliance of that. If
13 there is any element that makes staff feel uncomfortable
14 with the full implementation of the extension as well as
15 implementation of the Compliance Order, we will be
16 bringing that forward to the Board as a noncompliant
17 implementation of the Compliance Order.

18 BOARD MEMBER DANZINGER: So if we don't vote for
19 the extension today, then it's considered you can come to
20 us in January with an item that provides all the options,
21 either accept they're fully in compliance; that they
22 are -- to grant another time extension or to impose fines.

23 SUPERVISOR O'SHAUGHNESSY: At that point, for
24 clarification, not to grant another time extension, to --

25 BOARD MEMBER DANZINGER: I'm saying the full

1 range. I'm not going to pre-suppose where we're going to
2 be at. The Board may decide in January to offer another
3 extension. I don't think we can say we won't consider
4 that. But just saying that we can have the full range of
5 options available to us at January, including the
6 imposition of fines if they're not there.

7 BOARD MEMBER CHESBRO: Madam Chair, I think
8 that's too -- with all due respect, I think that doesn't
9 have enough of a message in it, myself. We'll consider
10 all the options in January. I would rather for us to say
11 today --

12 CHAIRPERSON BROWN: We are not agreeing.

13 BOARD MEMBER CHESBRO: We're at the end of our
14 patience. And we're not seeing progress, we have an item
15 that we're listing for January which is going to result in
16 fines.

17 Now, that can be further suspended if they're
18 making the progress. But I think -- I really think that
19 along with the level of concern that Board Member Peace
20 has raised that we need to be delivering a message that
21 we're serious. And I didn't mean not to do that --

22 BOARD MEMBER DANZINGER: I'm just trying to
23 figure out what options need to be available to us in
24 January.

25 I absolutely agree that the message needs to be

1 sent we're going to go there. But we don't need to pull
2 an item and not be able to do anything in January --

3 CHAIRPERSON BROWN: The item in January will be
4 to levy fines. That will be Option 1. Penalty fees for
5 noncompliance if they don't meet their compliance order.

6 What Option 2 and 3 will be will be up to the
7 staff. If they voted and they have a new contract and
8 they need additional time to implement, then that can be
9 staff's recommendation.

10 BOARD MEMBER DANZINGER: I think that's what I
11 was saying. To be clear, you're still talking about an
12 item that has multiple options. And yes, it can be
13 primarily an imposition of fines and that's the message
14 we're sending. But the other options are also available
15 on that agenda item. So that we -- okay.

16 CHAIRPERSON SAWYER: It will be primarily a fine
17 item.

18 So I think if I get the sense of where the Board
19 is today, then we are favoring Option 3, which is to deny
20 the request for a time extension and direct staff to work
21 with the City of Cerritos on completing their Compliance
22 Order by December 31st of this year and coming back to us
23 in January with action necessary for noncompliance if
24 that's the case.

25 Is that essentially where the Board is?

1 BOARD MEMBER MULÉ: Yes, Madam Chair.

2 CHAIRPERSON BROWN: Can I have a motion?

3 BOARD MEMBER PEACE: With that, I would like to
4 move Resolution Number 2007-224, Option 3, to the deny the
5 request for extension to the deadline.

6 BOARD MEMBER PETERSEN: I'll second that.

7 BOARD MEMBER CHESBRO: And including wording
8 specifically directing staff to prepare an enforcement
9 item for the January agenda.

10 BOARD MEMBER MULÉ: As stated by the Chair, yes.

11 BOARD MEMBER DANZINGER: Option 4 as well, which
12 directs staff to take other actions, which is to develop
13 the item for the January Board meeting.

14 CHAIRPERSON BROWN: Yes. But I think technically
15 we can't address -- we can't direct them to prepare an
16 item, because the Compliance Order is not completed until
17 December 31st of this year. So we can't anticipate that
18 they will not -- am I overreading? I mean, we can direct
19 staff. I don't know if that needs to be in the
20 resolution.

21 CHIEF COUNSEL BLOCK: That's where I was going to
22 go. I think maybe leave that out of the resolution.
23 Separate from the resolution, give some direction to staff
24 that as Trevor had described, the plan would have been to
25 bring an item in January anyway.

1 BOARD MEMBER CHESBRO: Well, if it's not part of
2 the motion, then I would suggest a letter from the Chair
3 or the Executive Director --

4 CHAIRPERSON BROWN: To the mayor.

5 BOARD MEMBER CHESBRO: -- indicating the content
6 of this discussion and the direction of the Board.
7 Because I do think we want to deliver the message clearly.

8 BOARD MEMBER MULÉ: I agree.

9 CHAIRPERSON BROWN: We can do that. That can be
10 done this week so that you won't be the messenger or sole
11 messenger.

12 Okay. So we have a motion by Member Peace and a
13 second by Member Petersen related to the resolution and
14 Option 3 denying the request for an extension.

15 Kristen, can you call the roll?

16 EXECUTIVE ASSISTANT GARNER: Chesbro?

17 BOARD MEMBER CHESBRO: Aye.

18 EXECUTIVE ASSISTANT GARNER: Danzinger?

19 BOARD MEMBER DANZINGER: Aye.

20 EXECUTIVE ASSISTANT GARNER: Mulé?

21 BOARD MEMBER MULÉ: Aye.

22 EXECUTIVE ASSISTANT GARNER: Peace?

23 BOARD MEMBER PEACE: Aye.

24 EXECUTIVE ASSISTANT GARNER: Petersen?

25 BOARD MEMBER PETERSEN: Aye.

1 EXECUTIVE ASSISTANT GARNER: Brown?

2 CHAIRPERSON BROWN: Aye.

3 The revised resolution passes. Thank you, all.

4 Thank you, Mike, for being here. Appreciate it.

5 Good luck.

6 BOARD MEMBER DANZINGER: Mike, just a quick thank
7 you to you for not falling on the tired old chestnut of an
8 excuse we have heard from other representatives of
9 jurisdictions, which is, "I wasn't there at the time."
10 We've heard that time -- "Well, I wasn't there when they
11 did the contract. I wasn't there." So any way, thanks
12 for that at least.

13 CHAIRPERSON BROWN: Thank you.

14 Now we will move to Agenda Item 7, Update and
15 Request for Direction on the Determination of the
16 Commingled Recycling Rate. Ted.

17 PROGRAM DIRECTOR RAUH: Yes, Madam Chair.

18 Mike Leason will make the presentation. I wanted
19 to give a couple of introductory remarks.

20 The staff has been working for the past several
21 months since the emergency regulations were passed dealing
22 with this program to develop a commingled recycling rate.

23 We presented first a contract option for
24 reallocation work in this area. We had a number of
25 meetings with experts in the field, and we'll be

1 presenting the results of those today.

2 I would indicate there's some discussion
3 necessary about the approach staff takes. And we pursued
4 one direction, which is the direction included within the
5 emergency regs. And there are at least one other option
6 that's been recommended that we pursue. We'll be
7 discussing both of those today for your consideration and
8 direction.

9 Michael.

10 (Thereupon an overhead presentation was
11 presented as follows.)

12 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:

13 Thank you, Ted. For the record, Mike Leacon, Supervisor,
14 Minimum Content Compliance Section.

15 This item requests direction from the Board on
16 the determination of the commingled recycling rate for the
17 At-Store Recycling Program as created under Assembly Bill
18 2449.

19 --o0o--

20 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:

21 Little background. The Board approved noticing the
22 permanent regulations at its September meeting. We
23 currently have emergency regulations in effect until
24 January. Staff did conduct a test, a bail sort, at the
25 MRFing facility at Richards Boulevard. And based on the

1 results of that test sort, that helped us to prepare a
2 draft Scope of Work to conduct the recycling rate study.

3 We've contacted several agencies about performing
4 that study on behalf of the Board, including the
5 Department of Conservation, the California Conservation
6 Corps, both the State Corps, and some local Corps. And
7 most recently, we've been in discussions with California
8 State University Sacramento. And just last week also with
9 UCLA.

10 We also met with industry stakeholders in October
11 to discuss the proposed Scope of Work. And again, we're
12 seeking direction from the Board on how to calculate that
13 rate.

14 --o0o--

15 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON: Per
16 the emergency regulations, the Board must conduct a
17 commingled recycling rate study. Again, we would conduct
18 that through an interagency agreement. And the specific
19 direction we're looking for is how to conduct that study,
20 whether it measures strictly the regulated bags or whether
21 it would also calculate a rate that would include
22 regulated bags plus non-regulated shopping bags recycled
23 through the At-Store programs.

24 --o0o--

25 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:

1 Under the emergency regulations, the stores must report
2 the weight of the plastic carry-out bags they purchased
3 and also the weight of the plastic carry-out bags recycled
4 or the weight of all bails of film plastic recycled.

5 We would then apply the commingled recycling rate
6 to estimate the amount or the percentage of bags in that
7 mixed film that's collected at the stores. And that would
8 allow us to calculate a recycling rate where the numerator
9 is the plastic bags recycled. The denominator would be
10 the plastic carry-out bags purchased. And that would
11 derive the recycling rate.

12 And moving forward with this program, we would
13 need to conduct studies in the future to measure change in
14 that recycling rate overtime. And the bill does sunset in
15 2012. And that information is needed evaluate the
16 effectiveness of the law.

17 --o0o--

18 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:

19 Some issues with --

20 BOARD MEMBER PEACE: You said it sunsets in 2012.
21 It sunsets January 2013.

22 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:

23 Thank you for the clarification.

24 The emergency regs are specific in that the
25 plastic carry-out bag recycling rate should be based on

1 the recycling of the regulated bags.

2 There was room for some interpretation staff felt
3 in the statute, and we did have a request from the
4 regulated stores or representative of the regulated stores
5 that the recycling rate not only reflect the actual
6 regulated bags recycled, but also the non-regulated
7 shopping bags that they are collecting through that
8 program they felt that they should be getting credit for
9 that recycling. However, we did receive a letter from the
10 author, Assemblyman Lloyd Levine, clarifying the intent of
11 the legislation was to measure the actual recycling of the
12 plastic carry-out bags.

13 --o0o--

14 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:
15 Again, going back to our test sort, which we used to help
16 develop the Scope of Work, it was clear from that sort
17 that there's going to be high degree of variability of the
18 amount of bags in each bail.

19 One bail we sampled had no plastic bags in it,
20 while the second bail had a fairly high percentage. If I
21 recall correctly, on the order of 25, 30 percent in that
22 bail. And these were sandwich bails collected from the
23 Wal-Mart stores in North Natomas about 2,000 pounds each.
24 So there was a great deal of material in that.

25 The plastic in the bail that didn't have any bags

1 was predominantly garment bags and stretch wrap.

2 And in the second bail, which did have bags in
3 it, there was a high degree of variability between
4 regulated bags and non-regulated bags.

5 CHAIRPERSON BROWN: Mike, did you only take it
6 from one store for your sampling?

7 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:
8 Yes.

9 CHAIRPERSON BROWN: Because Wal-Mart has a
10 program that specifically targets and addresses the
11 clothing bags. So I am not surprised at all that they
12 have an entire bail that's just that or predominantly
13 that. It seems like you would have, to get a true
14 sampling, get a bail from several different locations that
15 collect the regulated bags.

16 Does that not make sense? If you're going to
17 Wal-Mart and they have a program that specifically targets
18 and incentivizes people to bring back that kind of film
19 plastic, they're going to have an enormously high amount.
20 I think if you went to a grocery store with a pharmacy in
21 it, which is what was targeted in 2449, you'll probably
22 get a higher percentage of the regulated bags in your
23 bail. So I'm not sure that that's helpful.

24 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:
25 Okay. That was a test where it wasn't intended to be a

1 representative sampling. It was just to give us an
2 indication of whether we're going to find bags in the
3 bails. And we thought Wal-Mart would be indicative.

4 CHAIRPERSON BROWN: But we're discussing how to
5 do the commingled rate. And you go to one retailer to
6 collect a couple of bails. And you go to one retailer
7 that specifically has a program that incentivizes people
8 to bring back that material.

9 So you know, I'm not sure you're going to sway me
10 at all, you know, with information that's flawed in giving
11 us a presentation here on these bails of plastic.

12 I'll let you finish. I apologize for
13 interrupting.

14 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON:
15 Okay. Thank you.

16 Well, in moving forward with the study, the
17 challenge will be to get enough samples that we will have
18 a representative study. And doing the study that measures
19 just the recycling of the regulated bags to get a more
20 accurate study, we'll need to do more samples.

21 --o0o--

22 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON: The
23 options for consideration for the Board are to calculate
24 the 2007 commingled rate for all shopping bags.

25 Again, we had the request from industry they get

1 credit for the non-regulated shopping bags they're
2 recycling through that program.

3 And Option 2 would be to calculate the commingled
4 recycling rate specific to the plastic carry-out bags from
5 regulated stores only. This rate would be consistent with
6 the statutory intent as indicated by the author of the
7 bill.

8 We did get some feedback from Sac State and UCLA
9 on the cost to do the commingled recycling rate study.

10 --o0o--

11 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON: For
12 Sac State, their estimate was based on 200 pound samples
13 from about 25 locations throughout the state. For 55
14 samples, that only achieves a confidence level of about 54
15 percent. And that would be for the money that's allocate
16 to the study.

17 To get higher degrees of confidence levels, it
18 would require more sampling based on the variability. Sac
19 State estimates 300 samples would be needed to get to a
20 confidence level of 90 percent. And the cost they
21 provided includes both the sampling and travel and per
22 diem.

23 --o0o--

24 MINIMUM CONTENT COMPLIANCE SUPERVISOR LEAON: The
25 estimate we had from UCLA, which again is very

1 preliminary -- we need to do further follow up work with
2 them and specifically on the weight of the samples. We
3 need further information on that. But again, the estimate
4 from UCLA, 90 percent confidence level estimated cost of
5 120,000. But that did not include expenses.

6 So that concludes my presentation. Be happy to
7 answer questions.

8 CHAIRPERSON BROWN: Questions? Member Petersen.

9 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

10 I am re-visiting all this and thinking about
11 where we're going and how we're going to do this.

12 This has been done before with the Department of
13 Conservation dealing with commingled rates. And doing
14 these kinds of study is not new. Therefore, we know we
15 can do this. The calculations on the cost to do this are
16 pretty much in the ballpark between the two universities.

17 And the intent of the legislation from the author
18 is that we do the regulated bags. Nothing more, nothing
19 less. We want to see if this is going to work. And a
20 drop-off program at the stores for the regulated bags is
21 what we should be doing. Regulated bags, period. So
22 Option 2 is fine with me.

23 And I think thanks to staff for making the
24 attempt to go to Wal-Mart and do those things, but there's
25 Ralph's all these other stores that are going to be

1 involved in this. And the sandwich bail was developed by
2 Wal-Mart a while ago to start this process.

3 And we have a lot to do. And we need to stick to
4 our guns and do what was the author's intent.

5 CHAIRPERSON BROWN: Member Mulé.

6 BOARD MEMBER MULÉ: Thank you, Madam Chair.

7 I tend to agree with what Board Member Petersen
8 has stated. We know that the commingled rate is not going
9 to be exact. We have known that all along. It's not an
10 exact science.

11 What we do know, however, for those of us that
12 have done waste characterization studies, is that you're
13 separating the material anyway. So you are separating the
14 regulated bags or bags from the film plastic. And it's
15 all in your protocol on how you train your sorters on
16 what's regulated, what's not regulated. We know it's not
17 going to be an exact number. We know that that rate is
18 not going to be exact. But it's the best that we can do.

19 And again, I agree. If you read the letter from
20 Assemblyman Levine, it clearly states as -- it's pretty
21 clear to me in statute -- that the commingled rate is for
22 regulated bags. The bags that are regulated under this
23 law.

24 So I think that we should give it our best shot
25 and do what we can. It may cost us a little bit more

1 money. But again, we have to comply with the law and the
2 intent of the law. Thank you.

3 CHAIRPERSON BROWN: I do have one speaker on this
4 item, and then we'll continue with questions if we have
5 further questions.

6 George Larson, America Chemistry Council and
7 Progressive Bag Alliance.

8 MR. LARSON: Thank you, Madam Chair, members.

9 I think some of my questions were answered by the
10 Board members' most recent comments.

11 But I'm here. I know this is a new program and
12 staff is seeking guidance, because we are in a very
13 similar situation as stakeholders. We're not very clear
14 ourselves which way this will end up going.

15 As noted in the staff's agenda item, there was an
16 inconsistency between the regulations and the stakeholder
17 expectations. The stakeholders who participated in the
18 advisory group as this program was being developed and
19 then became legislation, it was under -- it's their clear
20 understanding as a result of that process that all bags
21 would be counted for recycling.

22 I understand and I clearly can read the
23 definition of a store in the law. And I did get a copy of
24 the letter from the author, which was in the back of the
25 room, which by the way is dated March of 2007.

1 I think this issue about the confusion has come
2 up to more of a clear focus since March. So I don't know
3 if anyone has spoken since March with the author to see if
4 it is strictly the restricted definition of what a store
5 is and what a plastic recycling bag is. If that's the way
6 it is, that's fine. But having some experience with the
7 rigid plastic packaging law when we did numerators and
8 denominators, it was an art, not a science. And as a
9 result, one of your members, Senator Chesbro, authored
10 legislation to get rid of that. And I don't think anyone
11 has ever looked back.

12 I don't think getting into the numerator and
13 denominator business on this law is necessarily going to
14 add to clarity. And clarity I think is what everybody is
15 looking for, particularly the regulated community.

16 An issue was raised -- and I'm sorry I can't cite
17 who raised it. But when you're talking about this
18 relatively -- in fact extremely small percentage of the
19 waste stream and doing characterizations, the margin for
20 error when you're dealing with less than one percent of
21 the waste stream versus say doing characterization of the
22 cellulose or paper component of the waste stream, the
23 potential for error is magnified.

24 And I'm not a statistician, but it will vary
25 beyond the mean broadly and widely. Particularly if you

1 run in a situation as the Chair notes that some retail
2 stores have very dedicated and targeted collection
3 programs that are going to skew the characteristics of the
4 materials recovered. So what do you do with that? I
5 mean, I guess what I'm hearing is we will go forward with
6 a characterization through one of these two qualified
7 candidates, come up with some percentage. And if there's
8 a bail, we'll multiple it by 62 or whatever the magic
9 number is. But the variability on the 62 percent or
10 whatever it is, I'm just saying I'm concerned it's going
11 to be high.

12 The only way you get around that is you do lots
13 and lots and lots and lots, and that costs lots and lots
14 and lots of money to get that level of accuracy.

15 While this is not the forum, so I'll be quick, it
16 would be much better and more efficient if -- and I think
17 the Board's policy is we would like to see all bags
18 recovered and all bags recycled, that if we just tabulated
19 all those bags and at least kept a record of the volume of
20 regulated and non-regulated bags and film and other
21 plastics, I think we're all here for the same purpose of
22 maximizing recycling. And that wouldn't be an
23 unreasonable direction to staff that, okay, do your
24 calculation based on a percentage, report to the
25 Legislature on a bill that really was crafted in the last

1 hours of the Legislature, and maybe we can go back and
2 correct this and go to what it should be as the
3 measurement of all recycling bags.

4 BOARD MEMBER PETERSEN: Excuse me, George. When
5 they do the characterization, they will be tabulating
6 other materials that are in that characterization.
7 They're going to do it anyway. So you're going to know.

8 But we were just talking about regulated bags.
9 That's where we're going with this thing. That's the
10 intent of the law.

11 Otherwise, they're going to have all this other
12 information for the grocers or the retailers if they want
13 it. It will be there.

14 MR. LARSON: Okay. That's what I would love to
15 see happen. Thanks.

16 CHAIRPERSON BROWN: Thank you, George. We have
17 one other speaker, Laurie Hanson.

18 MS. HANSON: Good afternoon. Laurie Hanson
19 representing Film and Bag Federation of California and
20 Film Extruders and Converters.

21 I believe Member Petersen just answered my
22 question, because it was a question of clarification.
23 When you do the waste sort, you are going to sort
24 regulated bags, unregulated bags, and other stretch film
25 products; correct?

1 BOARD MEMBER MULÉ: Uh-huh.

2 MS. HANSON: Question answered. Thank you.

3 CHAIRPERSON BROWN: I don't think we want to
4 disincentivize retailers from continuing to make that
5 recycling opportunity available.

6 BOARD MEMBER PETERSEN: And they have these
7 numbers to talk about all the other bags and film they're
8 collecting plus the regulated bags. We encourage that.

9 CHAIRPERSON BROWN: For the calculation, we're
10 just calculating the regulated bags against what is being
11 sold. But we'll have all the rest of the information.

12 BOARD MEMBER PETERSEN: Madam Chair, because of
13 the fees, would this have to come back as a separate item
14 to increase the contract fees? Do we know how is that
15 going to be handled?

16 CHAIRPERSON SAWYER: I believe so. Elliot.

17 CHIEF COUNSEL BLOCK: I'm looking towards Tom.

18 But if we've only allocated 75,000 and we're
19 going to end up needing more, we have to do one more.

20 CHAIRPERSON BROWN: We have to decide who the
21 most appropriate contractor is and how many samples we
22 want and all of that.

23 I would like to also direct through Mark to have
24 our staff sit down with the author and maybe one or two of
25 the Board members to go over how we are implementing this

1 and ensure before we do a contract that we are meeting his
2 intent and what we are doing in our commingled rate.

3 I appreciate providing a letter of intent. It's
4 dated March 16th, which is when we started meeting to
5 implement the regulations. So it's a little dated. And
6 I'm not sure that his interpretation in this letter and
7 encouraging us to develop regs actually discussed reusable
8 or the regulated bags exclusive of the others.

9 So I think in the process of bringing the new
10 item for us to fiscal consideration, we should just
11 clarify with the author how we're implementing.

12 So okay. I don't see a resolution. Do we have a
13 resolution or is this just a discussion item. So we've
14 discussed it ad nauseam. I think you're clear the
15 direction that we intend to go that we will do a
16 commingled rate. We will determine the regulated bag
17 number or percentage for calculation. But then we'll also
18 have the benefit of capturing the additional numbers for
19 utilization by the stores.

20 BOARD MEMBER PEACE: I'm sorry, Madam Chair.

21 Because I wasn't here when this was done when
22 they decided for the Board to pay for the rate. Was it
23 decided we pay for it every year until it sunsets? Or how
24 was that?

25 CHAIRPERSON BROWN: We decided we would pay the

1 first one. And we're not sure that we have to do another
2 commingled rate. We'll have to determine that. And if
3 the community decides they don't like the commingled rate,
4 they can have the option of contracting for a new one. Or
5 if we determine that it's no longer an accurate percentage
6 and we want better numbers, then we can choose to do that
7 in the future. That's my interpretation.

8 BOARD MEMBER PEACE: Great. Thank you.

9 CHAIRPERSON BROWN: Next we'll move to Agenda
10 Item 15, Consideration of Amendments to the Scope of Work
11 and Augmentation of the 2007-08 Statewide Waste
12 Characterization Study. Howard Levenson.

13 PROGRAM DIRECTOR LEVENSON: I'm going to be very
14 brief on this item. We had a lengthy discussion of this
15 in the Committee last week.

16 As you know, this is an augmentation to the
17 existing contract Waste Characterization Study. The
18 existing contract was funded with 2006-2007 funding. This
19 fiscal year, we have additional funding, and we are coming
20 to you seeking an augmentation and amendment for this
21 particular existing contract.

22 Just for the record, we still will have
23 additional moneys left for Waste Characterization Studies,
24 and we will be coming back to you later this year with
25 additional ideas.

1 But this particular item concerns adding in some
2 special studies related to asbestos testing on shingles,
3 landfill surveying of different materials, and some other
4 special tasks that are in the item. And there are a
5 number of questions regarding the shingle asbestos testing
6 on the roofing shingles. What we'd like to do is present
7 to you with a little bit of information to supplement what
8 we presented last week. And then I would end -- I'm going
9 to turn it over to Clark in a minute.

10 I would end by saying that we still recommend
11 that you approve the amended Scope of Work and adopt
12 Resolution 2007-232.

13 With that, I'm going to ask Clark Williams, who's
14 been the -- prior to this was the staff person working
15 doing a lot of our C&D work. Clark has now been promoted
16 to be Supervisor of our Climate Change Section under
17 Fernando's group. So he's wearing a couple different
18 hats.

19 Clark has some information that in our view at
20 least provides you with the rationale as to why we wanted
21 to expand the asbestos testing.

22 (Thereupon an overhead presentation was
23 presented as follows.)

24 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER
25 WILLIAMS: Good afternoon, Chair and Board members.

1 So just a little bit of background here.

2 Asbestos was used widely in roofing products including
3 asphalt shingles from about late 1800s to early 1980s.
4 It's a known human health carcinogen.

5 The real concern we are looking at recycling
6 tear-off shingles is, is there asbestos present? What
7 levels are present? And during the grinding process, is
8 it going to be become friable and become a health hazard?

9 --o0o--

10 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

11 WILLIAMS: We know there's lots of shingles out there.
12 That's been validated in our Waste Characterization
13 Studies. Not a lot is known about historic use of
14 asbestos in those shingles. Currently asphalt shingles is
15 a dominant roofing material. About 80 percent of the
16 roofs are covered in asphalt shingles. 12.5 billion
17 square feet of asphalt shingles are manufactured an
18 annually.

19 In our 2006 detailed C&D Waste Characterization
20 Study, asphalt shingles are the largest single material
21 type. We actually call that material type composition
22 roofing. Little over 318,000 tons.

23 One of the real challenges is the manufacture
24 data on how much asbestos was included in those shingles
25 and dates of manufacturing is very limited.

1 Some potential reasons for this include liability
2 concerns. Companies could no longer be in business. Just
3 unavailability of data.

4 --o0o--

5 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER
6 WILLIAMS: Here's some information that is known. This
7 comes from the Federal Register published in 1990. And
8 you can see here what's known on companies that made
9 roofing products that contained asbestos. There's a lot
10 of unknowns here: Years of manufacture and quantities
11 produced.

12 --o0o--

13 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER
14 WILLIAMS: The most definitive work in this area so far as
15 far as environmental concerns related to postconsumer
16 tear-off material was a study funded by U.S. EPA
17 Construction Materials Recycling Association put together
18 by a group out of Florida. What they did is looked at
19 existing data sources that had sampled and tested shingles
20 for asbestos content. Most of that data came from actual
21 recycling facilities that were accepting this material.
22 So it wasn't designed to get a full characterization of
23 what's happened within a region wide or nationwide area.
24 A lot of samples were collected and tested. Vast
25 majority of the samples come from one state, which is

1 Massachusetts. Their preliminary results look pretty
2 good. About frequency of asbestos detection is about 1.5
3 percent. Lots of unknowns out there that folks are
4 interested in. How many tons does this equate to? What's
5 the potential out there for use in alternative materials?

6 --o0o--

7 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

8 WILLIAMS: The service life of a roofing materials varies
9 from about 12 to 25 years. One of the common things that
10 makes this challenging too is it's common when you're
11 re-roofing to put a new layer of roofing on the previous
12 layer of roofing.

13 The current code in California limits it to about
14 two layers. There is instances where three layers have
15 been used. So we could have shingles up there that are
16 50-plus years old.

17 We would assume that over time the amount of
18 asbestos detected in the shingles is going to decline.
19 Right now to date this asbestos concern has been the
20 primary environmental concern for market development
21 efforts for tear-off shingles.

22 Some other states have been doing a lot of good
23 work in this area. In February, the Board allocated
24 \$150,000 which resulted in a contract concept with
25 Caltrans to look at market development efforts for asphalt

1 shingles.

2 Right now, we are looking at incorporating
3 post-industrial shingles into hot mix asphalt. One of the
4 real exciting things about this is the economics
5 situation. Our industry partners on the committee
6 anticipate a ten percent first cost savings. So there's
7 an effort underway to develop specifications. And more
8 data would really assist in identifying what the potential
9 feedstock is out there for incorporation into hot mix
10 asphalt.

11 So that concludes my brief wrap up. I would be
12 happy to entertain any questions you may have.

13 CHAIRPERSON BROWN: Thank you, Clark.

14 Anybody have any questions?

15 BOARD MEMBER PETERSEN: Madam Chair.

16 Okay. So we've taken a look around. EPA has
17 some data that they've done on asbestos in the shingles.
18 Is it appropriate for us to get down to the nitty gritty
19 on this to say, well, if we're going to deconstruct a
20 roof, wouldn't the protocols be that -- if we want to be
21 really careful with this, we make it a mandatory -- I'm
22 asking the question now -- a mandatory part of what we do
23 in deconstruct, they have to test the shingles to see if
24 there is asbestos in them. Wouldn't that be something we
25 could do, just test the roof?

1 PROGRAM DIRECTOR LEVENSON: Member Petersen, I'm
2 just going to speculate here and we'd have to do some
3 research on that, but I don't think we would have the
4 authority to require that at this point. We'd have to do
5 some research with our legal office, which we certainly
6 can.

7 I think in lieu of that, this is staff's attempt
8 to try to get some data so we can be conservative, make
9 sure that hopefully this would show it is not a major
10 problem and that we can go forth with the market
11 development efforts. But if it is a major problem, then
12 that probably would lead -- if sampling shows it's a major
13 problem, that probably would lead to some kind of
14 requirements or at least discussion about that.

15 BOARD MEMBER PETERSEN: Thank you, Howard.

16 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER
17 WILLIAMS: I think that's a fair assessment. The only
18 other concern that comes to mind is what state is the
19 asbestos in? When it's in the shingle, it's bound. So
20 it's not really a concern. But when it is a concern if we
21 were to grind it to three-eighths minus, is it becoming
22 friable at that point and a health concern?

23 CHAIRPERSON BROWN: Good point, Clark.

24 Member Peace.

25 BOARD MEMBER PEACE: Do we know if there is a

1 level that would be acceptable to Caltrans? Let's say we
2 do this study and we find out there's asbestos in one
3 percent of the roofing shingles. Would Caltrans say,
4 well, we don't want to use it at all because we don't want
5 to use anything that has carcinogens in it? Or if it's
6 less than one percent would they be saying, well, okay.
7 It's less than one percent, we can use it. Have they
8 given us any indication of what would be an acceptable
9 level?

10 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

11 WILLIAMS: I think I'd look to the federal U.S. EPA to
12 start with that question and their guidelines for handling
13 asbestos containing materials. So the first determination
14 is it greater or less than one percent. If it's greater
15 than one percent, I think we are looking at not recycling
16 that material and handling it in an appropriate manner.
17 If it's less than one percent or not present, the question
18 becomes is it applicable for a feedstock for hot mix
19 asphalt or other beneficial uses.

20 CHAIRPERSON SAWYER: Member Chesbro.

21 BOARD MEMBER CHESBRO: Is there an application
22 that involves grinding the shingles up? I missed that.

23 Because my -- actually, there are some places,
24 including the town where I live, where this has been used.
25 This has been done in the past, small scale, and probably

1 is being done as we speak. But it involves melting them,
2 not -- I don't believe grinding them up. And the airborne
3 nature of the fibers is what the concern is; right?

4 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

5 WILLIAMS: Right. I can't speak to the technology of
6 meeting them. What we've been looking at and what seems
7 to be the common practice in other states is the first
8 step is a grinding of the material to various sizes for
9 incorporation into hot mix asphalt in the application.

10 BOARD MEMBER CHESBRO: That's the common or
11 reoccurring step in the process that --

12 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

13 WILLIAMS: Right. I would say right now what we're
14 looking at is probably the highest end use for this
15 material.

16 BOARD MEMBER CHESBRO: I just wonder if there's
17 another way to incorporate it besides grinding it so that
18 you make the asbestos fibers potentially friable.

19 BOARD MEMBER PEACE: So there are like shingle
20 grinding facilities?

21 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

22 WILLIAMS: Yes.

23 BOARD MEMBER PEACE: And the shingles grinding
24 facilities don't test for asbestos as they take stuff in
25 so they can keep their employees and stuff safe?

1 CLIMATE AND TECHNICAL RESEARCH SECTION MANAGER

2 WILLIAMS: It depends on the feedstock they're accepting.

3 We have a facility the Board has helped fund down in

4 Shafter, California. They're accepting shingles just

5 post-manufactured waste right now. It's a fairly

6 homogenous mixture without the asbestos concerns and they

7 aren't doing testing.

8 In other states where they are accepting roofing

9 tear-off or postconsumer material, they are required to

10 develop a sampling plan on how they're going to test and

11 handle the material.

12 Now, how you determine what your sampling plan

13 could be is difficult without good base line data.

14 CHAIRPERSON BROWN: Question, Howard. Refresh my

15 memory on this. How much of the augmentation is

16 attributed to this part of -- is it like 20,000?

17 PROGRAM DIRECTOR LEVENSON: Approximately \$21,000

18 out of the augmentation.

19 CHAIRPERSON BROWN: So it's not a significant

20 portion. I think, you know, if it's going to collect the

21 data necessary on grinding versus finding alternative

22 methods so that Caltrans can actually utilize this as

23 another opportunity for increased recycling at Caltrans to

24 divert materials, then I'm all for it. All right.

25 BOARD MEMBER MULÉ: Madam Chair, I just have a

1 comment for Howard and staff.

2 I've been communicating, as some of you have
3 also, with Mr. John Schert of the William Hinkley Center
4 for Solid and Hazardous Research in Florida. And he has
5 indicated to me that there is a study that one of his
6 researchers, Dr. Tim Townsend, has recently completed on
7 this very subject, and we are awaiting the report.

8 Mark, I don't know if you've gotten it yet.

9 As of this morning, we haven't seen it yet. I
10 don't know if it's out there hot off the press yet. But
11 it soon to be out there.

12 So hopefully that may help you and aid you in
13 this research that you're doing. Thank you.

14 CHAIRPERSON BROWN: Any other questions on this
15 item? Burning desires to talk?

16 BOARD MEMBER PETERSEN: Madam Chair, I'd like to
17 move item 2007-232.

18 BOARD MEMBER MULÉ: Second.

19 CHAIRPERSON BROWN: It's been moved by Member
20 Petersen, seconded by Member Mulé.

21 Kristen, can you call the roll?

22 EXECUTIVE ASSISTANT GARNER: Chesbro?

23 BOARD MEMBER CHESBRO: Aye.

24 EXECUTIVE ASSISTANT GARNER: Danzinger?

25 BOARD MEMBER DANZINGER: Aye.

1 EXECUTIVE ASSISTANT GARNER: Mulé?

2 BOARD MEMBER MULÉ: Aye.

3 EXECUTIVE ASSISTANT GARNER: Peace?

4 BOARD MEMBER PEACE: Aye.

5 EXECUTIVE ASSISTANT GARNER: Petersen?

6 BOARD MEMBER PETERSEN: Aye.

7 EXECUTIVE ASSISTANT GARNER: Brown?

8 CHAIRPERSON BROWN: Aye.

9 The resolution passes. Thank you very much.

10 Howard, thank you, Clark, for the additional
11 information as a follow-up to our questions at the
12 Committee meeting. Appreciate that.

13 I believe we have one person in the audience who
14 had requested to speak during public comment and would
15 like to give you a couple of minutes, Steve Lautze.
16 Apologize for mangling your name.

17 MR. LAUTZE: That's all right. My name gets
18 mangled routinely statewide.

19 Chair and members, thank you very much for the
20 opportunity to address the Board. I have to brush up on
21 my ability to read the agendas since I failed to defect
22 when Item 10 was going to be taken up properly, which was
23 in a different committee than I usually check for market
24 development items.

25 I'm Steve Lautze, President of the California

1 Association of RMDZs. I'm also the Zone Administrator for
2 Oakland/Berkeley Recycling Market Development Zone just
3 down the road. I think my boss and my members are going
4 to be thrilled that I got a chance to address the Board
5 after driving up here on the wrong day.

6 So let's see. It is great to be back.

7 CHAIRPERSON BROWN: Happy to accommodate you.

8 MR. LAUTZE: I know I'm between you and lunch,
9 too. So I'll try to be brief and brilliant here.

10 It's great to be back here. I think four of you
11 know me fairly well. And I need to get to know a couple
12 of you better, the Chair and Mr. Danzinger.

13 But the reason I'm here today is that I and the
14 RMDZ Association have not been very visible before this
15 Board over the last couple of years, which is something we
16 intend to change.

17 I also especially want to thank Westley, aka,
18 Senator Chesbro, for coming down to our recent couple
19 weeks ago training in Oakland from the Zone Works, at
20 which he specifically encouraged us to be more visible
21 here and also to invite you out to the zones to see
22 businesses and zone administrators. And that's something
23 else we also intend to do.

24 But let me speak to the thing that is not before
25 you but that I thought was going to be before us, which is

1 the Strategic Directive Number 6 on market development
2 very briefly.

3 The parts of the Directive that concern that RMDZ
4 program most specifically are 6.2 to 6.5. The map is 6.2
5 I think are questions and rapid fire how does the map
6 specifically relate to RMDZs. How is it different than a
7 standard waste characterization? Is it a regional market
8 development strategy? We know there's a finite number of
9 maps that will be done, and we want to figure out how to
10 be involved with the RMDZs. I don't expect major
11 discussion from our side today, but I want to get this on
12 the record.

13 6.3, a 15 percent increase in recycling market
14 development zones. I think you may all be aware it's in
15 the item that there is a survey circulating about ways to
16 change the RMDZ program. I think the only consensus item
17 among the folks I talked to at our training and in the
18 surveys I've seen is enthusiasm for having a lower
19 interest rate for targeted materials or priority
20 materials. So that might be a way -- a consensus way to
21 try to address 6.3 or there may be other ways.

22 On 6.4, the idea of raising the loan cap. I
23 think our big bright letters question is if that creates a
24 demand for more loan money, where is the money coming
25 from? Because twice in my tenure in this program since

1 1999, the program has "run out" of money, the ten million
2 dollar allocation for loans in 2000 and 2004. So if we
3 lift the cap, we see that we'll be maybe larger loans to
4 fewer zones and fewer projects within the ten million or
5 that we'll have to find more money, which would be great
6 too.

7 Finally, in this run of featured items here, I
8 love the fact that the Board is taking a look at
9 infrastructure beyond the nondisposal facility element.
10 This is a favorite of my mine, and I have my own video of
11 mine I'd love to come back and show you sometime. But
12 enthusiastic about the initiative and trying to be fully
13 acquainted with it. We will be filing written comments as
14 an association on the directive as well.

15 My other joke was how does it relate to the prime
16 directive, but that's a Star Trek joke.

17 So wrapping up here, the ZAs really only learned
18 of surveys and the comprehensive reevaluation of the RMDZ
19 program on October 12th. So it's a recent thing to us.
20 We want to keep an open mind about improving the program,
21 but there are parts of it that make us nervous and we
22 wonder where it's going. And I know that's not the
23 discussion today. But I want to relate that.

24 The changes from the Board's reorg amplify the
25 importance of communication. At this time when we're in

1 transition, the Board's in transition, the program may be
2 in transition, especially since all ZA, all zone
3 administrators, are part timers on RMDZ work. Even though
4 a lot of us would like to do it part time, we can't do
5 that. The reorg means that effectively all the staff
6 from -- your staff working on RMDZ are part timers,
7 whereas they used to be full timers when it was an intact
8 specialized program. So that's a worry for us that we
9 want to register.

10 I'm going to wrap up here.

11 The issues raised in the survey that is being
12 circulated go beyond the items in the directive. We want
13 to note that. Quite a ways beyond the directive,
14 actually, including the issue of allowing loans outside
15 the zones or going statewide or, our most paranoid
16 extension, getting rid of the zones. So we are very
17 concerned about that. And the local governments we
18 represent are concerned about that.

19 Based on all of this, we submit that there needs
20 to be proper consultation and due process before major
21 changes to the program are made, including the workshops
22 mentioned in the staff report as optional, which were not
23 presented to us as optional. We definitely want there to
24 be workshops on these issues so we make the right
25 decisions.

1 Also in this spirit, we would love to come back
2 and make a larger presentation perhaps in sustainability
3 and market development sometime on these issues and on the
4 program at large.

5 I already said we plan to file written comments
6 on the directive.

7 Thank you very much.

8 CHAIRPERSON BROWN: Steve, thank you for being
9 here. Don't be such a stranger. You should come up.

10 And isn't an item -- I'll leave it to Howard. It
11 looks like Wes has something he wants to say.

12 Let me first just make a comment and tell you
13 that we're not looking to change the program. We're
14 looking to evaluate the program. That's a healthy thing
15 to do in anything. It may result in the fact there are no
16 changes, that we're very happy with the way things are.

17 But I think as any responsible policy-making
18 Board would do would look at all areas of the organization
19 to just evaluate performance and evaluate effectiveness
20 and have the opportunity to look at possibilities for ways
21 to improve the program.

22 So I do want to assure you, and I appreciate you
23 coming here, that there will certainly be due process.
24 And there will certainly be many, many opportunities for
25 you and the other zone administrators to participate.

1 I think our mission is very clear. And RMDZs
2 have been a tremendous way for us to help develop
3 businesses throughout the state. And I don't think we're
4 looking to eliminate them or jeopardize them in any way,
5 shape, or form.

6 And I do appreciate your comments and feedback.
7 And I know Howard will include the ZAs in all of the
8 evaluation tools he is planning on using.

9 And this is just the beginning. The only reason
10 you just heard about it in October is that's when we heard
11 about it. So we've put a lot on the staff, and they're
12 performing and we have a lot of directives. So it's not
13 intended to shove anything down any ZAs or zones or
14 anything like that. It's just to begin the dialogue.

15 BOARD MEMBER CHESBRO: Well, there's hardly much
16 to say after that. You said it very well.

17 Just let me repeat what I said last week at the
18 Committee, since it was not in your presence. And that is
19 that I stated how important the zones were as our local
20 partners. And I got I think unanimous agreement from the
21 Board members. And so I think your active participation
22 as an organization and individual zones is very important.

23 And I'd encourage -- not to push the Committee
24 Chair, but I would encourage a Committee complete
25 presentation. For one thing, the Committee ought to see

1 the video that -- I think that's the one you're referring
2 to -- that we shown over at the RMDZ meeting about market
3 development infrastructure, which I thought was a very
4 powerful presentation.

5 BOARD MEMBER PETERSEN: I'm ready. Let's put it
6 on the agenda.

7 MR. LAUTZE: I'll warn you. It's 17 minutes.
8 Everybody has a video these days.

9 I thank you very, very much. I promise to listen
10 to the tape of the Strategic Committee.

11 CHAIRPERSON BROWN: That's perfect. Picture is
12 worth a thousand words.

13 Any other old business? New business? We will
14 move to closed session. And thank you all for
15 participation and being here. And 12:46 PM

16 (Thereupon the California Integrated Waste.
17 Management Board recessed into closed
18 session at 12:46 p.m.)

19 (Thereupon the California Integrated Waste.
20 Management Board adjourned closed session
21 at 1:05 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 27th day of November, 2007.

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22 TIFFANY C. KRAFT, CSR, RPR

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